Daily Report

Latin America

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FBIS-LAT-94-177 *13 September 1994*

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Cuba

Alarcon Reiterates Country's Willingness To Talk With U.S.

PA1309003994 Havana PRENSA LATINA in Spanish 2320 GMT 12 Sep 94

[Text] United Nations, 12 Sep (PL)—We are willing to negotiate with the United States, just as we would with any other country, as long as the principle of sovereignty is respected, Cuban Assembly President Ricardo Alarcon said today.

The United States is the only country that links its views on the Cuban system to a policy of hostility and blockade. This country is proposing something impossible when it suggests lifting the blockade in exchange for changes to conform to these views.

That is what the North Americans must discover someday, Alarcon said during a news conference with a group of Hispanic reporters accredited at the United Nations.

As an anecdote, he said that sometimes suggestions are heard regarding things Cuba must do to deserve a lifting of the embargo, things that Cuba is doing or in the process of doing, as is the case now with debates on the establishment of an agricultural market.

At the meeting with the reporters, Alarcon, who headed the Cuban delegation to the talks, gave a detailed explanation of the agreement signed on 9 September with the United States on the migration issue and categorically said that this agreement is superior to the one signed in 1984.

Among other aspects, he emphasized the number of visas that will be granted. The previous agreement said up to 20,000 visas per year, while the new one specifies at least 20,000 visas and that there will be an additional quota of visas within a year to settle the specific problem of the so-called waiting list (persons who technically are eligible to travel to the United States but who have not received permits).

He said that among the most important aspects are the clear definitions of U.S. policy toward illegal departures, which was not addressed in the 1984 agreement but which has now been completely established. This constitutes a 180-degree turn. He also mentioned the introduction of new measures for the application of the Cuban Adjustment Act.

He described as important the agreement to meet again in 45 days to analyze compliance with the agreement because it will allow the parties to adjust mechanisms and establish the steps that each side must take to rigorously address each issue.

When asked about the opinion of Congressman Robert Torricelli, author of the law bearing his name, to intensify blockade measures against Cuba, and about the possibility of turning the U.S. Guantanamo Naval Base into a new Taiwan, an idea championed by Jorge Mas Canosa and the ultraright anti-Cuban movement in Miami, Alarcon said it is simply madness.

He seriously doubted that President William Clinton could have said that it was an interesting idea, as Mas Canosa claimed during an interview.

Additional Remarks

FL1309021294 Havana Radio Rebelde Network in Spanish 2300 GMT 12 Sep 94

[From the "Exclusive" program]

[Text] Ricardo Alarcon, National Assembly of the People's Government president, said just moments ago that Cuba is willing to negotiate with the United States as it does with any other state as long as sovereignty is respected. Alarcon added that the United States is the only country that links its views on Cuba to a hostile blockade policy. They ask for the impossible when they suggest lifting the blockade in return for change that conforms to their views. Alarcon told a news conference with Hispanic reporters accredited to the United Nations that the United States will have to discover this one day. Alarcon said anecdotally: We are sometimes told that Cuba must do certain things to deserve an end to the blockade, things that have already been done or will soon be done in Cuba. Alarcon, head of the Cuban delegation to the talks, detailed the joint U.S. migration agreement signed on 9 September. Alarcon stressed that this agreement is definitely better than the 1984 agreement. Among other things, Alarcon highlighted the number of visas to be granted: Whereas the previous agreement read up to 20,000 yearly, this agreement reads not less than 20,000. There is also an exceptional additional quota for one year to resolve the problem of the so-called waiting list. Alarcon pointed out that another important aspect of the agreement is that the delegations will meet in 45 days to determine compliance with the agreement. This meeting will help both sides establish methods and steps to tackle each issue.

Rio Group Leaders 'Optimistic' About Immigration Accord

FL1209155394 Havana Radio Rebelde Network in Spanish 1155 GMT 12 Sep 94

[From the "Doing Radio" program]

[Text] The 14 leaders who participated in the eighth Rio Group meeting in Rio de Janeiro were optimistic about the immigration agreement between Cuba and the United States. In addition, they were pleased with Cuba's decision to invite the UN Commissioner for Human Rights to visit Cuba during September.

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Encouraging Signs Seen in Immigration Accord

PA1209212894 Havana PRENSA LATINA in Spanish 1746 GMT 12 Sep 94

["Exclusive" article by PRENSA LATINA correspondent Tomas A. Granados: "A Certain Encouraging Sign"]

[Text] Havana—The political chess game between Cuba and the United States during the so-called "Rafters Crisis" had appeared to be heading toward the worst moment in more than 30 years of hostilities between the two nations, but that was not the case.

Some analysts familiar with the antagonistic relations that have separated the two countries went as far as fearing the possibility of a tragic outcome when Washington and Havana officials seemed to be nearing a point of no return.

On one side, President Fidel Castro's government ceased its vigilance in preventing the illegal emigration of Cubans leaving for the United States following a series of ship hijackings and disturbances in Havana attributed to the U.S. insistence on trying to provoke the collapse of the revolutionary regime through the island's economic suffocation and political destabilization.

On the other side, President William Clinton responded with new pressure to stiffen the economic blockade: He increased the number of radio broadcasts against Cuba and said he would maintain pressure aimed at imposing on Cuba a political system favored by Washington.

Nevertheless, this crisis created something that had seemed impossible in times of routine hostilities—the start of an exhaustive diplomatic effort and the occurrence of a series of coincidences, which included a not very coincidental meeting between Clinton and Colombian writer Gabriel Garcia Marquez, a Latin American figure who is very close to Castro. This meeting was held at the vacation home of U.S. novelist William Styron located on Martha's Vineyard.

Well, what now seems to have been the first round of the current crisis between the two rival governments concluded on 9 September with the signing of an immigration agreement in New York. It is an agreement the two parties termed satisfactory.

What is relevant about this event is that for the first time in more than 30 years, Washington and Havana have been able to resolve at least one of their many pending problems through talks.

After seven days of negotiations, the United States promised to end the automatic admission of however many Cubans arrive in its territory through illegal means, to take effective measures against those who hijack aircraft or seagoing vessels, and to grant a minimum of 20,000 visas annually.

For its part, Cuba agreed to take every possible effective measure to prevent unsafe departures, essentially through the use of persuasive methods.

Nevertheless, aside from the commitment made by the two sides, the importance of this agreement lies in the fact that it represents tangible proof that Cuba and the United States can negotiate with seriousness and reach agreements that are satisfactory to both sides on the basis of equality and respect.

In their assessment of the agreement signed with the United States, Cuban authorities have underscored the fact that the door to dialogue is not closed and that the seven days of negotiations in New York showed that serious talks can be held with the island.

Ricardo Alarcon, head of the Cuban delegation, president of the parliament, and former foreign minister, views the agreement as a step that may have some truly concrete importance within the context of an abnormal situation, such as the one that exists between his country and the United States. Meanwhile, the official newspaper GRANMA referred in Havana to the possible opening of a path to new encounters.

For its part, the growing U.S. sector that supports a dialogue with Cuba seems willing to redouble its efforts to persuade the Clinton administration, and the newspaper THE NEW YORK TIMES insisted that the agreement "is a good beginning, but things should not stop here."

Since the outbreak of the so-called "Rafters Crisis," President Fidel Castro proposed to Washington that the discussions be broadened to include other topics, such as the economic blockade of the island, in an effort to find what in his view would be a serious solution to all of the pending problems between the two countries.

"The Clinton administration should use the opportunity to explore those topics, even if they enrage the hard-line (Cuban) exiles in Miami," THE NEW YORK TIMES commented.

According to what has been learned, the Cuban authorities insisted to the U.S. negotiators that to find a definitive, lasting, and complete solution to the migration problem, the blockade issue must be addressed. Nevertheless, they never proposed this as a prerequisite for holding the talks.

However, diplomatic sources in both Washington and Havana did not rule out the possibility of the delegations from the two countries being able to continue their talks some time after the upcoming November congressional elections.

The inclusion of the blockade issue in this eventual round of discussions would respond to repeated requests made by influential congressmen and other U.S. personalities who have suggested to President Clinton that he modify his policies on Cuba.

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Lee Hamilton and Claiborne Pell, chairmen of the House and Senate Foreign Affairs Committees, respectively, are included in this group, as well as influential sectors that usually express their opinions in newspapers such as THE WASHINGTON POST, THE WALL STREET JOURNAL, and THE NEW YORK TIMES and which have urged the Clinton administration to "thoroughly revise" those policies.

Other congressmen, such as Jose Serrano, leader of the House of Representatives Hispanic Caucus, insist the U.S. blockade against Cuba must end and that talks between Washington and Havana must be held to ensure that the two nations "will be able to avert a confrontation that could have a very sad outcome."

Serrano said: "Aside from any situation prevailing in Cuba, on which I have no right to comment, I believe that part of the problem continues to be the rather mistaken policy implemented by my country (the United States).... This is the time to start talking."

Political analysts believe the fact that Cuba and the United States have signed an agreement completely acceptable to both parties within the existing framework of their relations [words indistinct] to contribute to developing and expanding on the question of the blockade policy.

Alarcon said: "I believe the day will come when the [words indistinct] of the insistence and proposal of many people, will make more and more difficult each and every day for them (the United States) to continue to elude this necessary debate between the two countries."

Mission Claims U.S. Failed To Protect Diplomats

PA1209223294 Madrid EFE in Spanish 2037 GMT 12 Sep 94

[Text] United Nations, 12 Sep (EFE)—Cuba has protested the brief detention of four members of its UN mission in New York during a demonstration on 30 August. Some of the members attacked New York policemen who were trying to separate the diplomats from anti-Cuban Government demonstrators.

The exchange of accusations between Cuba and the United States stemming from that incident took place at the UN Committee for Relations With the Host Country of the world organization, that is, the United States. News of this discussion was revealed today.

The committee meeting, which was requested by Cuba, took place on 9 September as representatives of the two countries were signing an agreement to end the "rafters" crisis.

On 30 August, two days before the United States and Cuba began the negotiations which led to a migration agreement, 15 anti-Cuban Government demonstrators tried to chain closed the fence of the Caribbean island's UN mission on Lexington Avenue.

Several mission members came out of the building and confronted the demonstrators. This led to a fight that New York Police tried to control, and as a result 15 policemen were injured.

Seven persons were arrested, including three demonstrators and four mission members, who were released when it was learned that they had diplomatic immunity.

A police spokesman confirmed to EFE today that a mission member was detained for beating a policeman, another for attacking the demonstrators, and two others for arming themselves with an ax and a crowbar.

Fernando Remirez de Estenoz Barciela, Cuban ambassador to the United Nations, told the committee that the United States systematically failed in its obligation to protect diplomatic personnel.

The detention of his four colleagues was a "flagrant violation" of international agreements that guarantee security and immunity to diplomatic personnel," the Cuban ambassador added.

Remirez said that since August "terrorist actions" against the mission and its personnel have reached "serious levels." He also described police reaction during that incident as "unacceptable."

On 6 September a mission member was "threatened" as he was leaving the building, the ambassador added as evidence of his charges.

U.S. diplomat Karl Inderfurth rejected the Cuban charges at the committee, and added that although his government criticizes actions against diplomatic missions and their personnel, Inderfurth "condemned" the violence displayed by members of such missions.

He lamented that personnel of the Cuban mission decided to take action against the demonstrations and the New York police, especially when many policemen were already trying to protect the building.

If the four Cuban officials did not enjoy diplomatic immunity, they would be facing "serious charges, from assaulting a policeman to inciting disturbances," Inderfurth said. He added that a video clearly shows the "surprising and unacceptable" reaction of "certain" mission members.

Authorities Report Calm Prevails on Havana Coasts

PA1309035694 Havana PRENSA LATINA in Spanish 0248 GMT 13 Sep 94

[By Ulises Canales]

[Text] Havana, 12 Sep (PL)—Havana's main coastal points, until a few days ago the launching areas for illegal emigrants bent on going to the United States, are slowly returning to their normal atmosphere, as PRENSA LATINA was able to confirm.

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Visits to the towns of Cojimar, some 15 km from central Havana, and La Puntilla, a neighborhood located in the Miramar residential area, verified that citizens were complying with government regulations to curb the departure of undocumented persons on unsafe means of maritime transportation.

The Cuban Government, in accordance with the migration accord reached with the United States on 9 September in New York, urged the people to abstain from traveling abroad by their own means and without following legal procedures. The government said to achieve this goal it would employ primarily persuasive methods, without ruling out the use of force in extreme cases if warranted.

The measure gave a 72-hour deadline, which expires at 1200 (1600 GMT) tomorrow, Tuesday, to people who left rafts, boats, and other auxiliary means on the coasts to pick them up and put them to better use.

Unlike the past weeks, when an endless mass of people gathered in the afternoon to watch would-be emigrants in the role of shipbuilders atop the coral reefs, the tranquillity and desolation of these zones was remarkable.

Workers at a cafeteria undergoing repairs in Cojimar dismantled the wood structure of a boat abandoned on the coast to use it for plank moldings for the place, while policemen and border guards who patrolled the area said they were satisfied with the positive results of their dissuasive work.

According to these agents, a much more calm climate prevailed in the past hours, as no incidents of social unrest were reported.

In this coast measuring more than 10 km, only a group of six people awaiting fuel to sail that night were seen, despite the tides and constant rains, since, they said, they were aware that they only had until tomorrow's deadline to carry out their intent.

The authorities stated that during the deadline given they did not take action against people or means of transportation and only used persuasion with regard to people who insist on leaving. After that period is up, however, they will prevent the departure from coasts, through the use of force if necessary, but will not employ firearms.

Roots of 'Rafters Crisis' Reviewed

PA0909155594 Havana PRENSA LATINA in Spanish 1102 GMT 9 Sep 94

["Exclusive" article by PRENSA LATINA contributor Mauro Casagrandi, an Italian national and "expert on the topic," who "worked for 12 years at the CIA in the service of Cuban security bodies": "Essential Causes and Elements of the Crisis."]

[Text] What is the political meaning of the word "crisis?" First, it is a state of upheaval in any given geographic area; second, it prompts a confrontation between two or more countries; third, it can have serious consequences worldwide; fourth, because of its importance, it evolves and manifests itself before the eyes of the entire world; and fifth, it keeps everyone in a state of anxiety.

In this regard, I can easily say that the situation we are experiencing today in Cuba has all the attributes of a crisis with a capital "C," because it meets all of the above-mentioned criteria, including primary coverage in the news worldwide. Overseas, it is being called "the rafters crisis," and it will certainly go down in history with that name.

Now, what caused the crisis? What is its main element? How is it being experienced in Cuba and abroad? What will its outcome be?

In Cuba we all know which events unleashed the crisis and the steps that have been taken so far by the Cuban and U.S. Governments. Nevertheless, we could symbolically sum up the situation as follows: There has been a strong clash between the greatest power in the world (the United States) and its small neighbor (Cuba)—a clash in which the superpower, with all of its resources, tried to deal a coup de grace to its small neighbor. Nevertheless, the small neighbor not only managed to duck in time to avert the blow, but it also responded so overwhelmingly and placed its enemy in such dire straits that the enemy has been forced to abruptly organize peace talks—even though it may attempt to limit these talks—in an effort to remedy its ailments.

Meanwhile, in response to other questions, it is necessary to analyze a number of facets if we hope to correctly describe a situation that, in itself, seems contradictory.

Propaganda is, as usual, the No. 1 weapon used by the United States to influence U.S. and international public opinion to support any measure the U.S. considers appropriate. In an attempt to do this, the United States paints a completely false picture of Cuba—one in which the people are fleeing en masse and taking incredible risks just to get off the island. All you have to do is listen to the interviews aired on certain U.S. stations to realize this. Most of these interviews are entitled "The Flight of Cubans From Cuba," "The End of Tyranny," or something along these lines. These interviews show rafters saying all sorts of stupid things about Cuba and the reasons that forced them to leave. They blame "Castro's tyrannical regime," "the communist system prevailing on the island," or real or imaginary problems that affect the Cuban people. They describe the island as a hell, a place where police terrorize the people, where there is death and hunger, and where Castro and a few others, thirsty for blood, personally profit from all of this. In the end, the listener (public opinion) must be convinced that there is "no difference between Haiti, Rwanda, and Cuba."

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So where is the contradiction, especially since all of us in Cuba, including the rafters themselves, know this is not true? Well, these lies being spread around the world are, in fact, based on an actual truth—namely, thousands of people keep casting off into the sea under ominous conditions.

Why is this happening, or what is it that the propaganda does not say about the United States? Here are some reasons in chronological order: A large number of people have been encouraged to leave the island because for decades Washington has been offering Cubans who wish to leave the island via illegal departures, and at times with disastrous consequences, the possibility of beginning a new life in none other than the most powerful and (apparently) richest country in the world; because the minds of thousands upon thousands of Cubans have been warped as a result of constant U.S. propaganda; because these people believe that all they have to do is leave the island and that hundreds of friendly hands will be extended to help them reach Wonderland; because the experience of relatives or friends shows them "how convenient" it is to make counterrevolutionary statements the minute they reach U.S. territory, thereby guaranteeing for themselves all of the available benefits; and because a few days after their arrival they will have a car, will dine at fancy restaurants, will have lipstick and many other things, just as a child interviewed on television has said.

A serious analysis of this propaganda would have to conclude that this is an artificial phenomenon [fenomeno fisiologico] engendered by the policy the United States has maintained toward Cuba all of these years—a policy which in no way has undermined the Cuban Revolution.

After all, did not 125,000 people leave during the Mariel crisis (1980) after nothing had happened? Were those not the days when material conditions in Cuba were the best in its history? A serious analysis also would show that the current economic crisis, in which the blockade plays a fundamental role, adds another category of immigrants to the previous ones—economic immigrants, whose numbers could exceed the Mariel figures several times over. In the end, this analysis would have to say that a normalized U.S. policy toward Cuba would even eliminate problems in the United States.

It would be good if they were displaying the same calm and tranquillity that prevails in Cuba today. Life continues normally: There is no state of siege; there are no curfews, military roadblocks, riot police, or armored vehicles patrolling the streets. In other words, there are none of the formidable repressive systems that would be used in any other country going through a similar social crisis as the one supposedly affecting Cuba. There are no such things. The situation is normal: A new school year has proudly begun with the highest number of students in Cuban history. Here, despite all of the difficulties and limitations of the special period, everyone enjoyed as best as possible the vacation period that just ended. Here, the CDR (Committees for the Defense of the Revolution) continue their night watches; movie theaters and nightclubs for national tourism are operating normally; people continue walking streets that are viewed as the least dangerous in America... and if you want to see something different, there is the daily show of rafts departing and heading north before the eyes of people who are witnessing the beginning of another adventure, the end of which no one can predict.

While the special period continues with all of its difficulties and daily problems, the revolutionary government maintains its traditional position of not making any false promises. On the contrary, it is permanently alerting and publicly stressing the problems that must be faced in a unified manner without expecting any miracles.

Why is this? Is it because the actual situation is so very different than the one they want people overseas to perceive? Is it because in Cuba there is a reality inconceivable to the eyes of someone who does not know Cuba? These days of drama and threats are not new, because the revolution has suffered frontal assaults many times during the course of its brief history. Times such as these are precisely what cause the deep roots of the revolution to grow within the hearts of the vast majority of Cubans. It is precisely times such as these—times when the revolution is in danger—that the majority of people prepare to defend the revolution at any price. It is when Fidel Castro publicly outlines a strategy to be followed, detail by detail, step by step, and in such a way that practically everyone feels he has a part to play and, in turn, approves the goals the chief of the revolution has established. Amid these complex days the people have defined themselves once again.

This is why—and this is another uncomprehensible fact in the eyes of those who do not understand—times such as these become moments of glory. No foreign propaganda mouthpiece has said what is obvious to those of us who are here: That this crisis was started by a U.S. attempt to again stage a destabilizing and fatal coup de grace against the Cuban Revolution, to kill it now in the summer of 1994. They were certain that the disturbances were going to produce the immediate downfall of the revolution, just as other revolutions vanished into thin air in European socialist countries that did not resist the effects of a strike or demonstration. In turn, what happened? Well, Cuba 1994 is not Eastern Europe 1989. This time it is alone without the support of the socialist nations—support it had received for 30 years. It is alone in the middle of the worst economic crisis in its history, alone in the middle of a very difficult time in the lives of the people, and alone under a stepped up blockade. Nevertheless, Cuba's resolve has not lost one inch of its moral force, and with intelligence and bravery, it has not only resisted the attack, but it also has countered its arrogant adversary.

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What will the outcome be? I do not know, but there is one thing that will never occur—the end of the revolution which today is more alive than ever and which, once again, thanks to the enemy, has been revitalized and is as strong and fresh as ever. I worked in the CIA for 12 years, trying to help my Cuban Revolution, taking part in many things, and feeling great satisfaction. Nevertheless, I can say with all honesty that today, practically as an observer, I feel very proud and very happy to be in Cuba in these exceptional days of glory.

Robaina Says Cuba Wants To Continue Changing

BR1209134694 Madrid EL PAIS in Spanish 10 Sep 94 p 4

[Interview with Cuban Foreign Minister Roberto Robaina by Miguel Angel Villena; place, date not given: "Robaina: 'The Worst is Over and We Have the Strength to Pull Through'"—first paragraph is EL PAIS introduction]

[Text] Madrid—He suggests reforms but specifies their limits. He speaks of opening up but refuses to abandon what he calls the "essence" of sovereignty, independence, and his country's own voice. He recognizes mistakes and slowness but maintains that Fidel Castro is untouchable. Roberto Robaina, a 38-year-old mathematician who was secretary of the Communist Youth League and who is now Cuba's foreign minister, is the personification of the contradictions of a revolution in crisis, forced to adapt to a new and terribly changing world while thousands of boatpeople are fleeing the island and the alarming economic crisis, and while the regime is looking for points of discussion with the United States, its eternal enemy, in New York, and with sectors of the opposition in Madrid.

[Villena] Economic shortages have made 20,000 boatpeople so desperate they are ready to gamble their lives. Your government has always blamed the U.S. embargo for everything. Has not the communist economic plan also failed?

[Robaina] We are already getting over the worst which came about when the socialist bloc suddenly collapsed. Since then we know that we have the strength to recover and pull through. There are three reasons why Cuba has fallen into these dire straits. The revolution is going through one of its most difficult periods with an enormous degree of aggressiveness. The brutal U.S. blockade was followed by the collapse of the socialist bloc that again forced us to change our industrial structure. However, a third obstacle arose which was just as significant as the first two and which concerned our limitations, our mistakes, and our slowness.

[Villena] So your government is equally responsible?

[Robaina] The exodus of the boatpeople is a response to a complex and difficult economic situation. It is true that Cuba has many economic needs, but there has always been this phenomenon of migration from the Third World to the First World, even when it is not stimulated by a developed country, as has been the case for us. In any case, there is no doubt that the U.S. blockade and our own mistakes encouraged the boatpeople to flee. However, we are thinking of the thousands of boatpeople who are leaving and not the 10 million who are resisting the crisis.

[Villena] Is it possible to staunch this flow of boatpeople that has become almost unstoppable and which now forms part of the Cuban landscape?

[Robaina] The exodus of the boatpeople can be stopped, but it is not solely down to Cuba. To date, the main success of the negotiations with the United States in New York is that they have not yet broken down. The United States created a problem to encourage illegal migration [as published] and failed to respect its commitments to sign visas agreed in 1984. The exodus of the boatpeople can be stopped, but it is not just down to Cuba to stop it. We must remember that no migratory phenomenon can be put down to just one cause but that many different factors come into play.

[Villena] Does Fidel Castro represent an obstacle to reform? What will happen in Cuba after Castro?

[Robaina] The plan of the Cuban revolution is too strong and represents too many things for it to depend on just one person. In any case, Fidel does not represent an obstacle to reform but rather it is he who encourages reform and who is renewing the party leadership with the arrival of a new generation. People like Carlos Lage, Ricardo Alarcon (secretary of the executive committee of the council of ministers, and speaker of parliament and Cuba's negotiator in New York respectively—EL PAIS editor's note), and myself were promoted to our posts by Fidel.

[Villena] What did Spanish Prime Minister Felipe Gonzalez say in your meeting?

[Robaina] Gonzalez asked me to implement more in-depth reforms with greater haste. The rate and extent of the reforms are two of the differences in opinion between ourselves and the Spanish Government. You must understand that we have pushed through a series of reforms in the last 12 months and that we have had to change many things. You cannot hope to see results in such a short period of time. Anyone who knows anything about economics knows that you cannot expect to see results in so short a time.

[Villena] Do the imminent reforms in Cuba include granting the people the freedom to grow crops and trade independently?

[Robaina] We are preparing a new series of economic measures and we are not averse to including those things you mention.

[Villena] You give the impression that Cuba is looking for a model like the Chinese model, i.e. political immobility and economic reform. Is that true?

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[Robaina] We note with great interest and respect the models that have been adopted recently by China and Vietnam, but we have our own model.

[Villena] Do your reforms extend as far as legalizing political parties? Is the Cuban Government going to legalize political parties?

[Robaina] I ask only that Cuba be measured with the same yardstick as the rest of the world. We are changing and we will change further. We know that Cuba has to adapt to the world but we want to do it with dignity. Our democracy is not perfect and it is going to change considerably. However, Cuba has already experienced the multi-party system and at that time it was more threatened than ever. Then (at the time of Fulgenico Batista—EL PAIS editor's note) we had to unite our forces to win. Cuba wants to continue changing, but before that we have to concentrate on surviving.

"We Are Not Talking to the Opposition Just for the Sake of Appearances"

"Our talks with three leaders of the opposition is not just a meeting for the sake of appearances or to reassure people. Quite simply, the Spanish Government asked me to meet with leading members of the government in exile and so I spoke with them. Our only precondition was that these contacts be people who had condemned the blockade. This helped break down the barriers and helped us understand each other better without intermediaries. In a word, it responded to the need for dialogue."

This is how on Thursday night Roberto Robaina described his meeting with the members of the opposition, Eloy Gutierrez Menoyo, Ramon Cernuda, and Alfredo Duran a few hours previously—a meeting that other members of the exiled government called a farce and false dialogue. Robaina stated indignantly, denying that the three men were Castro supporters: "If we wanted to stage a farce, we would have booked an orchestra too. It is not the beginning or end of anything. It is merely proof that both sides want talks. They need to know more about Cuba and we need to know what they think."

The Cuban foreign minister said that Havana recently invited the UN High Commission for Human Rights to Cuba and that the government was not at all afraid of this kind of inspection: "Not only does Cuba have nothing to hide, but we can also give many lessons in human rights. The United Nations has created a non-discriminatory structure which is not opposed to any country, and we are delighted that they are visiting Cuba."

Once again, Robaina claimed that Cuba had the right to choose its own, individual path. With respect to the passions that are aroused abroad both for and against Cuba, Havana's foreign minister stated: "We are not doing what we are doing just for the 10 million Cubans: We also want to remain a point of reference in the world."

Comments on Visa Accord, Blockade, Economy

LD1209111994 Madrid RNE-1 Radio Network in Spanish 0600 GMT 12 Sep 94

[Studio interview with Cuban Foreign Minister Roberto Robaina by unidentified announcer—live]

[Text] [Announcer] Let's go straight to the latest events affecting your country, the agreement you have reached with the United States for the granting of those 20,000 visas a year in exchange for stopping the rafts leaving. Do you think this could be a start to a solution to the crisis?

[Robaina] Yes, I think so. The agreement is an important factor in a certain normalization of relations on such a complicated matter as this one is. I believe that with the type of situation which arose it was necessary for understanding and communication on both sides. We had to get to the bottom of the problem, to seek a legal, deep-rooted and long-term solution. I think that this is an important aspect which has allowed both sides to sit round a table and find a solution.

[Announcer] Are other negotiations with the United States going to continue aimed at lifting the blockade on trade relations which has been in existence for more than 30 years?

[Robaina] Cuba's position on the blockade has not changed nor will it change. Whether or not the talks continue depends not only on what the Cubans decide, it depends on what both sides find. I think that for future communication and for future negotiations it is necessary, above all, for the present progress to continue—by which we get to know each other better—and then other stages will be reached. In the first meeting the blockade was not on the agenda. However, this does not rule out the fact that for the Cuban side on each and every occasion when negotiatons take place we will continue to touch on the subject because it affects us.

[Announcer] Spain is going to continue in its role of mediator. Do you think it would be a good for Spain to intervene in these negotiations between yourselves and the United States?

[Robaina] If something has been made clear with these talks it is that the United States and Cuba can sit down without anybody playing the role of absolute mediator. However, I think that what is never too much is to ask the Cubans how they feel about the blockade and it is also important for the United States to be asked, and repeatedly so, what it thinks about the blockade on Cuba. What we have said to Spain and to other countries is that it is importnat to talk to Cuba, to know what is going on. It is also important to talk to the United States.

[Announcer] After the talks you held with the different members of the Cuban opposition here in Madrid last week, are you going to continue these talks in other places, with other political reresentatives?

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[Robaina] It is not a matter of timetables, countries, and (?elites). Cuba started on a path in this direction some time ago but it was given a boost by a conference held recently in Havana which, on that occasion, was not broad enough. I think that exclusions are never our responsibility. In my opinion exclusions have occurred because of those who, with their statements, have not left room for talks. Here, we have taken an important step because there are people who are independents, who differ ideologically, and this does not concern us in these talks between Cuba and its emigres, but who maintain a position of respect and understanding, and above all condemn this very brutal blockade imposed on Cuba. These talks could take place here. They did take place here, with that broadness, and they will continue in Havana, Madrid, New York, anywhere, as long as the climate in which we meet continues to be the same.

[Announcer] How far are you prepared to go in opening up the regime as you are being called on to do from different points?

[Robaina] For us, opening up means adapting to new times, times which have substantially changed the conditions in which we defended a plan, which we continue to defend. What we want to do is to defend it in present circumstances but the limits are clear to the Cuban people. For the Cuban people the limits mean being able to reach a certain goal without putting at risk what is sacred for us. And what is sacred for us is independence, sovereignty, and our own voice.

[Announcer] And a change to democracy as understood by the West, is this possible maintaining the political system, the same regime?

[Robaina] I think that there have to be more talks and greater mutual understanding because what is very difficult to understand is why a world, which it is said should be a plural world, can only come about with a change to an exact model of Western democracy and that a strict, one-type, democratic model for all is wanted. I believe that in the name of democracy many things are done in this world. However, there are other models, which do not have very different characteristics from us, but they are plural and the model we apply is not plural. I think, in short, that what is necessary for Havana, for Madrid, is for the yardstick either perhaps to be the same for all or if we are going to use different yardsticks then let us also talk about the countries which have other opinions.

[Announcer] What happens is that democracy is possibly measured by that aspect, by that magnifying glass, of public and civil freedoms in general, freedom of association, meeting, expression, etc.

[Robaina] Exactly. It is always measured a lot but each time it is measured a lot what is frequently not taken into account is that many of those who are being measured have to build their democratic models and reach solutions under pressure and threats, and not only the economic ones under which my country operates. I think that Cuba has even witnessed, welcomed, congratulates, sees, wants models. Latin America, for example, has had hundreds of models living together, which in short do not stop having defects and matters to be resolved. But no country in Latin America has had to face the brutal pressure that my country has to continue experiencing and working under. Before changing, my country has to tomorrow think about survival and after guaranteeing its survival it has to continue changing.

[Announcer] A final question on this matter. Let's talk about the economy now but I have to ask you this question first. Can this change that you suggest take place with Fidel Castro at the helm?

[Robaina] The Cubans are absolutely convinced about this change, and I say the Cubans because change is up to the Cubans. Fidel is part of a plan that has been defended with all its virtues and defects. In short we do not wish to renounce the virtues. To attain these virtues we feel he played his role, and amidst the defects he also fought. We feel that the revolution should not only be wanted but what it has achieved should be seen and what we are still in a position to achieve. In the middle of all this process, even with all the changes that have taken place over the past year, these changes have taken place with him.

[Announcer] Turning to the economy. Cuba is in a serious situation, not only because of the blockade but also because of its own problems. What do you need? What are you asking for now so that contributions can be made to Cuba's economic development? As you said the first thing is practically the country's survival. What has to be done?

[Robaina] I do not believe, and I am not one who says that it is, that the blockade is the only reason for our problem. I am one of those who say that the blockade is the main reason but for the past four or five years the country has been facing a blockade as or more brutal than before and throughout this period we have faced a third blockade which instead of being our mistakes, our deficiencies, these mistakes and deficiencies have been brought into the country and do not respond to our culture, tradition, or history. But I believe that the combination of many things has made tackling this economic solution much more difficult. In short, we should be allowed to work better and Cuba has embarked on a process of major economic changes for this. For example, all those who wish to invest on the island should be able to come without the trauma of having to arrive secretly. It means having a level of talks which allows us to not only say what we are doing but allows us to listen to many views on what we are doing. We want to build an economic model which we want above all to be a Cuban model and that is feasible.

[Announcer] Thank you.

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Robaina Holds Dialogue With Cuban Exiles in Spain

FL1209161794 Havana Radio Rebelde Network in Spanish 1700 GMT 10 Sep 94

[From the "National Radio News"]

[Text] Foreign Cuban Minister Roberto Robaina participated on 10 September in a large mass solidarity celebration organized by numerous organizations in Spain. Barbara Betancourt reports from Madrid.

[Begin recording] The Spanish unions have again reiterated their support of the Cuban people and the Revolution, their rejection of the blockade, and their willingness to provide solidarity aid to Cuba. However, the most important activity of the day was the meeting by Minister Robaina with over 100 Cuban exiles living in several Spanish cities.

For over two hours during the meeting, Robaina explained the scope of all measures implemented in Cuba since last April, and the willingness of the Cuban Government to practice a more coherent, fluent policy regarding the immigration issue.

The Cuban exiles invited to the meeting were not simply spectators; they were invited to question, express doubts, and state beliefs in a setting that displayed without a doubt that the meeting was among Cubans. They addressed issues such as real possibilities for repatriation, speedy procedures for travel to Cuba, acknowledgement of university diplomas, and aid they could offer their fellow Cubans.

Robaina answered all their questions; in addition, he reiterated Cuba's stance—to hear everyone, including those who are ideologically different, but show respect for Cuba. He stated that the dialogue will continue, but that it will not be possible to comply with their requests everytime. He added that everyone would be heard with respect and that their worries would be appreciated; yet, the government would do what is best for Cuba.

Robaina made it clear that this was the same attitude that prevailed during his official interviews with leaders of the Spanish Government. He added that it is not only Spain that differs with Cuba; Cuba also has discrepancies with Spain. However, these differing views are expressed with respect, and do not hinder the fluent day-to-day communication between the parties. [end recording]

Cited on Political Changes, Blockade

PA1309045994 Havana Radio Havana Cuba in Spanish 0100 GMT 13 Sep 94

[Report by Barbara Betancourt from Madrid; from the "Evening Information Review" newscast]

[Text] Cuban Foreign Minister Roberto Robaina opened his agenda in Madrid today, the seventh day of his visit to Spain, with visits to the Spanish Senate and Congress of Deputies. The tone of the dialogue with each of the chambers of the Spanish General Courts was identical to the tone that has characterized previous official meetings. It was a discussion in which various views and positions were expressed. A great deal of respect, sincerity, and affection toward Cuba was expressed.

All political parties are represented in the Foreign Relations Commissions of both the Senate and Congress of Deputies. With the exception of Popular Party members, the rest of the political forces were present at the respective working sessions with the Cuban foreign minister.

In both meetings, the Spanish parliamentarians condemned the U.S. economic blockade against Cuba, recalled their rejection to the Torricelli Law, and showed great interest in learning more about the transformation process on the island. In this sense, the Cuban foreign minister gave broad arguments, details, and opinions.

Robaina said that in just one and one-half years the Cuban Government has adopted more measures in various fields, particularly in the economic field, than during the previous decades. He cited as examples the changes in the land ownership system, the free circulation of currency, the authorization of self-employment, a new immigration policy, and the opening to foreign investments under various conditions.

More than simply asking questions, Spanish senators and congressmen reflected on topics that in their opinion characterize the current situation in Cuba. With respect and sincerity, they expressed various points of view, and with this same sincerity and respect they listened to the explanations given by the Cuban foreign minister. This exchange of views will give both sides a better understanding of one another, and this will strengthen relations.

Robaina said that whenever Cuba is treated with respect, it will be receptive and the results of the dialogue will be seen quickly. However, he noted, nothing will be obtained from Cuba by way of threats or blockades.

Robaina stressed that implementing a process of economic and even political changes is particularly difficult for a developing country, and even more so under a blockade. He added that it is clear that Cuba would do anything except endanger its sovereignty, independence, and freedom to speak out without requesting permission from anyone.

At both chambers the Cuban foreign minister noted that while Spanish Government political forces, in the name of friendship with the island, have advocated more profound and quick changes in Cuba, other forces in Spanish society, such as unions and members of Cuban solidarity associations, have warned the island—also in the name of friendship—to be careful, to take its time in making changes, and not to make the same mistakes others have made. Consequently, Robaina requested

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their understanding and to take into consideration the steps adopted by the Havana government to show its inclination and willingness to make changes. He also said any analysis should bear in mind that those economic changes are not divorced from political transformations.

In sum, it was a fruitful day, which included private meetings with Senate President Juan Jose Laborda, and Jordi Sole of the congressional Foreign Relations Commission.

Robaina will complete his agenda for the day with a meeting with entrepreneurs and businessmen from all across the country—approximately 200 of them—at the Superior Council of the Chambers of Commerce here in Madrid, and a reception to be offered by the Cuban Embassy on occasion of Foreign Minister Robaina's visit.

Finally, I must say that the interest of the press continues. This morning, Robaina granted an extensive exclusive interview to Radio Nacional de Espana, after which he made statements to national television and Mexico's ECO news service and held brief news conferences at the end of each meeting.

Opposition Leader Advocates Continuation of Embargo

BR1309095294 Barcelona LA VANGUARDIA in Spanish 11 Sep 94 p 14

[Interview with Gustavo Arcos, Cuban Human Rights Committee president, by unidentified correspondent in Havana; date not given: "Arcos: 'The Castro Regime Must Dialogue With Exiles and With Dissidents at Home'"—first two paragraphs are LA VANGUARDIA introduction]

[Text] Havana—Gustavo Arcos, 70, is president of the Human Rights Commission in Cuba and one of the leaders of internal opposition to Castro. He considers that the recent agreement struck between the United States and Cuba on the subject of the boatpeople "is an agreement of convenience since it favors both sides. It favors the Cuban regime because it marks the start of initial talks with the United States and is a principle for negotiation. It favors the United States because it stems the tide of boatpeople being washed up on its shores. However, I do not believe it can be very beneficial for Fidel Castro's regime that young people want to leave the island and flee the system. Large numbers are still leaving even though they know they will be picked up on the high seas. One day we will know how many people have been lost to the sea in the last 35 years."

Arcos considers the recent contacts in Madrid between Cuban Foreign Minister Roberto Robaina and members of the moderate opposition to be "a political maneuver designed to give the appearance of diplomatic normality. At the state's expense, and quite unnecessarily, Robaina is travelling more than Columbus and Magellan.

[LA VANGUARDIA] Have you, the home dissidents, recently been in contact with the Castro government?

[Arcos] No. We have always been the ones to start dialogue and now it is up to him to take the first step. In any case, we know by our own experience that it is impossible to talk with Castro. Fidel Castro will never be able to say he was not warned by the outside world. Many Latin American leaders who are genuinely concerned about Cuba, have advised him that change is inevitable. Manuel Fraga himself warned him in Spain that he should get out of the crisis gracefully if he does not want to end up like Mussolini, strung up by his feet.

[LA VANGUARDIA] What would be your conditions for talks with Castro?

[Arcos] We want everyone from the whole political spectrum, from the exiles to the home dissidents, be included in the talks. We would never be a plaything in the hands of the regime, it would have to be a clean game. Whether Fidel Castro likes it or not, we will succeed in having talks in the end.

[LA VANGUARDIA] Do you agree that the United States should continue the blockade of Cuba?

[Arcos] I would not call it a blockade. I would say it is a kind of embargo. The United States must continue with this action, and anyone who says that it is starving the Cuban people is resorting to demagogy. What is more, I think the United Nations should get involved so that it does not appear to be a bilateral affair simply between Cuba and the United States.

[LA VANGUARDIA] What is your view of the current situation being faced the Castro regime?

[Arcos] We are witnessing the last days of Castroism. They are nearing the end. Some of them know it, too, but there is no one in the government who can persuade Castro to retire. Castro has his back turned on reality, and his eyes closed. Like all dictators, he is ambitious and will not learn from the lessons of history.

[LA VANGUARDIA] Who should promote change?

[Arcos] Change must come from within the government, not from inside the Communist Party. If the change came from party members, they would think it was still possible to maintain the regime. I believe there should be a transition government, not a blood bath or a civil war. First there must be political change, and that will then be followed by economic change because they are not yet capable of bringing this about.

Rio Group Ministers Agree on Anti-Blockade Accord

FL1209171794 Havana Radio Rebelde Network in Spanish 1700 GMT 10 Sep 94

[From the "National Radio News"]

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[Text] The member countries of the Rio Group, holding their 8th meeting, agreed on 10 September to demand the end of the U.S. blockade against Cuba as the first step toward the return of Cuba to the Latin American system.

The agreement was reached early on 10 September by the Foreign Ministers of the 14 countries of the so-called Permanent Political Reconciliation Council, on the basis of a proposal by Panama. The text of the project, which still needs to be endorsed by the presidents, asks for the end of the blockade implemented against Cuba 35 years ago, as part of the dialogue process with Havana. In addition, it rejects any meddling in internal affairs, and expresses concerns about the risks created by the current crisis between Cuba and the United States.

The Rio Group was optimistic about the negotiations between Cuba and the United States, which ended in an agreement on 9 September. The group stated that the results of the negotiations corroborate the need to continue with the dialogue.

'Blockade' Cause of Economic Problems

FL0709135994 Havana Radio Rebelde Network in Spanish 1600 GMT 6 Sep 94

["Straight Talk" program with hosts Osvaldo Rodriguez and Luis Sexto from BOHEMIA magazine]

[Text] [Rodriguez] Today's topic of discussion is the cause of our problems. This is always a current issue, but especially lately, when our people have been involved in unusual situations that have disrupted our usual calm in Cuba, and which are related to the exodus to the United States.

We need to discuss the cause of our problems, which undoubtedly is the blockade. We had had a double blockade. However, the second one is over—it occurred when our old business partners in the socialist bloc, those who helped us greatly, such as the Soviet Union, disappeared. The U.S. blockade, which we have endured for 35 years, persists and has recently gained strength. This is the principal cause of our problems.

[Sexto] Without a doubt, the blockade is the cause of our problems. As you just noted, we can no longer speak of the second blockade. Those countries and societies have already disappeared, but we cannot believe that the second blockade will ever be lifted, the U.S. blockade. However, the U.S. blockade was attenuated for many years precisely due to our relations with the countries of the former socialist bloc and with the former Soviet Union. Mutually profitable business, and involvement with the socialist world helped Cuba to lessen in one way or another the effects of the U.S. blockade, which the U.S. Government implemented against Cuba due to the victory of the Revolution.

[Rodriguez] This is why people say that it was in 1990 when we truely began to feel the economic blockade....

[Sexto, interrupting] Of course, when the socialist world disappeared, the U.S. blockade logically began to exert all its pressure on our society, with damaging impact. Nobody can doubt that the cause of our problems today, the fundamental reason for the deterioration of our economy, of the deprivations endured by Cubans, is precisely the blockade implemented by the United States for 35 years.

[Rodriguez] However, there are those who believe that the reason for our problems is our lack of initiative.

[Sixto] Look, we could talk of the famous third blockade, which many people have referred to. These people blame our mistakes, our neglect, our passivity, our subjetivity—which of course have been part of our problems—as the cause of our problems. However, when we say fundamental cause, without eliminating our own mistakes and passivity, lack of work, etc., etc., then we have to believe that the fundamental cause is the U.S. blockade.

It is clear that many no longer want to blame the blockade. For many years, we had not suffered the full effects of this blockade. In addition, we have to recognize that in the past some of us, as well as some officials, used the blockade to justify their own neglect and shortcomings. This created a conditioned mentality, and today many Cubans cannot accept the blockade as the cause of our problems.

[Rodriguez] Not only that, now with the proliferation of shopping stores, many U.S. products are available, and people question how these products could have arrived to Cuba if we are under blockade.

[Sexto] Probably there are many subleties involved in the arrival of these products, and perhaps this is not the right moment to discuss the issue....

[Rodriguez, interrupting] And at amazing prices, not the usual market prices....

[Sexto, interrupting] Many fellow Cubans do not know the way the blockade is affecting us. They are still not sure, they cannot adequately visualize how the blockade is affecting us.

Recently, BOHEMIA magazine published an article listing the ways the blockade affects the Cuban economy, and indicated that this blockade is the fundamental cause of the deprivations and deterioration of our economy. This report by Pedro Prada began with the case of pacemakers, essential medical products. Cuba needs to buy hundreds of pacemakers, which were in the past purchased from a business in Europe. However, the sales suddenly ended when a U.S. industry asked the Europeans to stop making them because the pacemakers have U.S. parts and the blockade, together with the Torricelli Law, which magnifies and extends it, disallowed sales to Cuba. This clearly shows how the blockade

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is hurting us. Now the Cuban public health authorities, which import medical supplies, are going crazy trying to solve the problem.

[Rodriguez] We also need to bring up the way in which many people—not exactly our friends—express themselves. Our friends abroad have always supported the termination of the blockade. Others, however, such as the big U.S. newspapers—THE NEW YORK TIMES and the WASHINGTON POST, among others—as well as some senators, who have called themselves totally anti-Cuban, now criticize President Clinton for not sitting at the negotiation table, and question the blockade.

[Sexto] Precisely. Those big U.S. newspapers, which are the principal shapers of public opinion in the United States, are questioning the consistently irrational policy that has prevailed in U.S. Governments for 35 years.

When a new U.S. administration takes over the government—not the power, but the government—it tries to rebut the legacy left by the departing administration. However, in practice, the new administration continues doing the same thing.

[Rodriguez] Even in the case of different parties?

[Sixto] Yes, since the issue of differnt parties is somewhat flexible. One party starts a war, and the other continues it. There are not many differences.

[Rodriguez] Or one party does the planning, and the other puts it into practice.

[Sexto] There are not many differences. There is a sort of consistancy, of coherence in U.S. administrations. Perhaps the variations lie in that one party wants to raise taxes more, while the other supports a smaller increase. The big newspapers, or the interests that lie behind them, have realized that this is an irrational policy that does not lead anywhere, not to any strategic objective, as the years have shown.

Additionally, we need to consider how world leaders see this situation. Sometimes I find a contradiction in that some Cubans do not realize in what ways the blockade affects them. They are affected because they are suffering. The blockade is present, not only as an issue, but also as a material, specific entity that strikes us, and which is the cause of the current suffering in Cuba. However, the world leaders do realize to what extent this situation affects us. I recently heard statements by Colombian President Sanper, which indicate that Dr. Sanper has a clear picture of the damage that the blockade is causing to Cuba. And he calls it blockade, without using the famous embargo euphemism. In the United States, people believe it is an embargo.

[Rodriguez] Do you really think so? Perhaps they use the term embargo to soften the situation?

[Sexto] The United States wants it to be perceived as an embargo. Let us say that you are my neighbor and I get mad at you, and will not give you any more salt, or sugar, or water. This is perhaps an embargo between us. However, if I oblige another neighbor to do the same, then I am implementing a blockade instead of an embargo. I am trying to fence you in.

Historically, a blockade consisted of an army surrounding a city, or a navy war fleet surrounding a country. These were military and war blockades. There are also economic or business blockades. When I deny you everything, and in addition, force others to do the same, then I am not enforcing an embargo—which is also a jurisprudence issue and calls for intervention by the courts—but a blockade. I am forcing others to do what I do, to your detriment.

[Rodriguez] Without a doubt we are under a blockade.

[Sexto] No doubt about it.

[Rodriguez] We need to discuss other aspects of the situation regarding our efforts to break the blockade and to solve our own problems through our own efforts and various approaches.

[Sexto] We are trying to restore foreign trade. It is not easy because we have to deal with people who are under pressure from U.S. authorities. When President Sanper states that the blockade is hurting Cuba and is the cause of current immigration problems, he perfectly understands—and I mention him because I heard his statements on a radio station—that there are people, businesses, and governments that are pressured by the United States not to develop business relations with Cuba. Cuba is trying to diversify, to extend and restore foreign trade, as well as making efforts to attract foreign investors. Cuba needs currency. Any country under normal circumstances would ask the World Bank or the Inter-American Development Bank for a loan. However, these two organizations refuse to lend money to Cuba because of the United States' prohibition.

The situation is not easy; the battle is slow. Additionally, everything is more expensive. It is not the same to buy a product in the United States or Asia or Europe. Of course, the shipping, which increases with distance, makes things more expensive. Therefore, it would be to our advantage to buy those products in the United States; they would be much cheaper. It would also be better to have U.S. business—with more money, perhaps better technology than European business—invest in Cuba. Breaking the blockade is a difficult daily task. It is part of our strategy to continue efforts to break the blockade in the way we have been doing, by diversifying trade and investment, but also by fighting to end the blockade. Cuba is not willing to discuss immigration problems alone. It is necessary to discuss the crux of the matter. People are today leaving, due to the deprivations they suffer, no doubt about this.

[Rodriguez] At the same time, we are trying to break the third blockade.

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[Sexto] That is another quest—to break it and end the subjectivity that keeps us from working fully, from making quick decisions, from putting an end to passivity and neglect. This is another important struggle for Cuba.

[Rodriguez] In addition, we need to solve the nutrition problem through our own means, despite the blockade, as well as the problems of industrial and economic efficiency.

[Sexto] We need willpower and strength to break the blockade from inside and from outside.

Armed Forces Book Examines Reasons of 'Quarrel' With U.S.

PA0909152194 Havana PRENSA LATINA in Spanish 1706 GMT 8 Sep 94

[Text] Havana, 8 Sep (PL)—A new book edited by the Ministry of the Revolutionary Armed Forces (FAR) was released in Havana with a view to clarifying the true reasons for the Cuban-North American quarrel and analyzing the position of both sides.

The book, entitled "The Quarrel," describes itself in the preface as a retrospective study on relations between the United States and Cuba that discloses the destiny Washington had in store for the island and what the people of the Caribbean nation definitely chose.

The book even considers historical events beginning in the 18th century, as an insight into clarifying the motivations of the confrontation and explaining the great variations during various periods.

Among the topics discussed are alternatives presented to the Cuban people and the position of the two countries regarding the search for a solution.

The first part of the book deals with historical U.S. pretensions regarding Cuba, including efforts of annexation, the opinion of Cuban founding father Jose Marti about this issue, and efforts to consolidate a neocolonial position.

The book later deals with current pretensions following the 1959 revolutionary triumph.

The book adds as part of its documentation information about the various U.S. presidents and plenty of pictures.

The book has stirred interest among the Cuban people, and in the publishing world this interest foretells the possibility of future editions.

Havana Radio Reports Haiti Mans Border 'Within The Last Few Hours'

FL1209213794 Havana Radio Reloj Network in Spanish 1943 GMT 12 Sep 94

[Text] Tensions along the Haitian-Dominican border have been increasing daily with the arrival of international observers and thousands of soldiers from both countries. Several dozen observers, most from the United States, patrol the area between the two countries to guarantee that the UN Security Council embargo is observed. These forces have numerous vehicles and helicopters, supplied by Washington. The Dominican Government has sent 6,000 soldiers and marines to reinforce the border area. The Haitian Government has done the same within the last few hours, sending 1,000 soldiers to the area. Their presence is very obvious in the border area, according to press reports from Dajabon and Monte Cristi, two Dominican cities near Haiti.

U.S. Upgrades Communications for Guantanamo Refugees

FL0809140794 Havana Radio Progreso Network in Spanish 1100 GMT 8 Sep 94

[From the "First Thing" program]

[Text] The U.S. telephone company AT&T has advised that it will begin to install 500 extra telephone lines at the U.S. Guantanamo Naval Base. The telephone lines are to be used by the 40,000 Cubans and Haitians, currently at the base, to communicate with relatives in the United States. According to a company spokesman, the service should be ready in two weeks.

Meanwhile at the base, U.S. military personnel continue to improve sanitary conditions, installing extra showers and running water, as well as having published the first edition of a newspaper in Spanish called, QUE PASA.

Russian Foreign Ministry Applauds Treaty Signing

FL0709161794 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 7 Sep 94

[Text] The Russian Foreign Ministry made a statement describing the steps taken by Cuba to adhere to the Tlatelolco Treaty, prohibiting nuclear arms in Latin America, as serious and responsible. The statement points out that the Cuban Government has evidenced seriousness in reference to the atomic issue and contributes to strengthening the issue of nonproliferation of that type of arms, not only in the region, but on a universal scale.

PRC Military, Education Delegations Visit Havana

PA0809204394 Havana PRENSA LATINA in Spanish 0320 GMT 8 Sep 94

[Text] Havana, 7 Sep (PL)—Two PRC delegations, one from the military and the other from the education sector, arrived in Havana today. According to the delegates themselves, they are visiting to strengthen ties of friendship and to exchange expertise with the Cubans in their respective fields.

General Li Jin, deputy chief of staff of the Chinese Army, today began a five-day visit to Cuba as the head of

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a delegation whose aim is to strengthen cooperation between Cuba and China in military matters.

According to official sources, the ranking officer and his entourage will speak with leaders of the Revolutionary Armed Forces (FAR) and visit military installations and the island's tourist spots.

Li Jin was received at Jose Marti International Airport by Brigadier General Ruben Martinez, the air defense chief who was representing the FAR minister, and other Cuban military officials.

Another delegation headed by Wang Mingda, vice president of the Chinese State Education Committee, today arrived in Cuba for a three-day visit.

The visitors will review adult education programs with Cuban authorities and learn about Cuba's general education system, which represents more than 1.4 million pesos (officially on a par with the U.S. dollar) of the Cuban budget.

Wang Mingda will meet with leading Education Ministry officials and will visit some of the country's schools.

Garcia Negrin Appointed Ambassador to Canada

FL0309171594 Havana Radio Rebelde Network in Spanish 0900 GMT 3 Sep 94

[Text] The Council of State has appointed Comrade Bienvenido Garcia Negrin to the post of ambassador extraordinary and plenipotentiary of the Republic of Cuba in Canada. Garcia Negrin was the director of the Americas Desk of the Ministry of Foreign Relations.

Official Signs Scientific, Technical Accord With Venezuela

PA0209143894 Havana PRENSA LATINA in Spanish 0328 GMT 1 Sep 94

[Text] Caracas, 1 Sep (PL)—Venezuela and Cuba today signed various scientific-technical cooperation agreements during the Third Binational Meeting, which has ended in this capital.

Roberto Rivas, director of the Cuban Foreign Trade Ministry's Latin American Directorate, termed as "highly positive" the results of the three-day meeting held here by the work group for scientific- technical cooperation.

In statements to PRENSA LATINA, Rivas said the agreements dealt with priority sectors in the two countries' economic development.

He emphasized that the third meeting has allowed them to follow up on a group of projects signed in November 1992, with the intention of seeking joint solutions and strengthening relations between the two states' scientific communities.

The official said the cooperation agreements include a vast array of groups in vital areas like health, biotechnology, planning, industry, and finance.

The projects signed between the two parties include systems for quality control, medicine registration, validation of biological products, apiculture development, efficient animal feeding methods, and orchard production and protection.

The event, carried out at the Office of Coordination and Planning's (Cordiplan) headquarters, was also attended by representatives of the local Foreign Ministry, the National Council for Scientific and Technological Research (Conicit), the Health Institute (INH), and the National Fund for Agricultural Research (Fonaiap).

According to Cuban expert Roberto Rodriguez, the forum also helped identify other technological projects within the context of the economic development and cooperation programs.

In his opinion, the Third Binational Meeting will allow the scientific and technical integration of Venezuela and Cuba. It will also sponsor the search for joint mechanisms and formulas for their problems.

It was reported that the Fourth Binational Meeting will be held at Havana, Cuba, in October 1995.

TRABAJADORES Extols Need To Support Social Security

FL0509213294 Havana Radio Rebelde Network in Spanish 1700 GMT 5 Sep 94

[Text] On 5 September, the weekly newspaper TRABAJADORES features an editorial entitled: A Live School of Economic Knowledge and Awareness; analyzing the importance of the second phase of the Economic Efficiency Assemblies where workers will debate the need to contribute to a social security fund. The editorial states that it is a matter of reasoning, debating, and contributing elements so the workers understand why the country has no alternative but to establish such a system. The editorial explains that it is not simply another measure to overcome the current economic crisis, but responds to a much longer-term goal: being able to count on social security in the future.

After recalling the dismal conditions of the social security system at the time of the triumph of the Revolution, TRABAJADORES recalls how much has been accomplished throughout the years on social security, and how this important accomplishment has been preserved despite truly difficult economic circumstances. The editorial goes on to say that social security is synonymous with peace of mind, equality, justice, and human dignity.

Finally, the editorial expresses trust that the workers will understand it is one more burden, but that there is no alternative. The workers will therefore support this measure as another service to the fatherland.

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Commentary Justifies Social Security Contribution

FL0709190294 Havana Radio Rebelde Network in Spanish 1700 GMT 7 Sep 94

[Commentary by Susana Tesoro; from the "National Radio News"]

[Text] We have commented on this before on the very same program: Pockets are empty. The cost of living increases while salaries remain the same. For those who do not have another source of income, the home economy becomes extremely difficult. The labor union Assemblies for Economic Efficiency are about to begin. Among the topics to be discussed is the contribution to the Social Security fund by workers. We know it is difficult and unpleasant to do this with a portion of our salaries, as small as they are—first, because it is always better to receive than to give; and, secondly, because as we have already pointed out, the cost of living gets higher each day.

To begin to understand this situation, it is important that we understand the dimensions of the change that our country's economy has experienced; that thanks to some kind of financial miracle, we have not witnessed social disasters of great magnitude. Many industries have closed due to the lack of fuel, raw material, and equipment, among other reasons. Nevertheless, no one has been abandoned to their own luck. We have not yet seen a sick person without medical attention, or a child without education.

Behind these realities is the fact that Cuba invests more than 60 percent of the nation's expenses in health care, education, and monetary aid. Last year, the Cuban state spent approximately 37 million pesos in social assistance alone. This year, for higher education alone, the state has budgeted 200 million pesos. We must also consider that the conditions of public transportation and other conditions resulting from the special period have caused an increase in the number of retired citizens, which causes an increase in expenses to the national budget.

Throughout all these years, the payment of social security has come from the employing enterprises, which contribute 14 percent of the salaries for short- and long-range retirement pensions. The difference, some 700 million pesos, is supplied by the state.

The only analysis appropriate in this sense is to look our reality in the eye and not pretend that the Cuban economy will work the miracle of the loaves and fishes. The country's current situation does not allow for an increase in social security expenses. The state is not asking for a contribution as an education, or to take away part of our salary, but because there is no other place to obtain the money that is needed.

'Straight Talk' Reviews Economic Problems

FL3008132294 Havana Radio Rebelde Network in Spanish 1600 GMT 25 Aug 94

["Straight Talk" program with Renato Recio of TRABAJADORES newspaper and host Osvaldo Rodriguez of BOHEMIA magazine]

[Text] [Rodriguez] Renato, would you like to introduce the issue?

[Recio] What I would like to debate here is the fact that we Cubans are going through some very hard times, from an economic point of view. We are under a double and triple blockade. We are going through a truly critical situation. Why do we have this critical situation? Well, we have a continuous reduction in the production of food and sugar. We have enormous difficulties because we do not have capital to finance the improvement of Cuba's economy. All of that has consequences for the workers and the people's standard of living. Of course, they are very hard consequences.

During these last few months Cubans have been commenting out on the streets, while waiting in line, and at the store about Cuba's economic situation. That has, apparently, relegated Cuba's political problem to second place. I believe that during the next minute we should broach the meaning of the political problem. It is by no means counterrevolutionary action nor is it any action representing the interest of Cuba's enemy.

[Rodriguez, interrupting] A difference in ideas. The political problem must be defined very well because there are times when political and ideological matters are combined. They are different things, even though, sometimes they are combined.

[Recio] Yes, sometimes the other side my not even have ideals. These people that hijack boats and throw rocks at policemen hardly ever have ideals. Their conduct is not precisely ideological. However, in Cuba's situation any incident that disrupts order and makes Cuba's situation chaotic is a political incident.

[Rodriguez] Of course, even a theft in a warehouse. If a warehouse, where supplies for a neighborhood are kept, is broken into and the supplies stolen, that undoubtedly, is a political incident.

[Recio] You are referring to a theft or even a theft with violence but there is also misappropriation, illegal use of resources, and lack of administrative control; all of these are political problems. I am going to give you an example; in Venezuela, Brazil, Santo Domingo, the United States....

[Rodriguez, interrupting] And Argentina.

[Recio] In all countries there are cases of vandalism. People that attack supermarkets and steal merchandise and products. No doubt you remember the events that took place in Venezuela not too long ago. There were a great number of people dead and injured. These events were related to vandalism. In those countries these problems are seen, exclusively, as economic problems. They are seen as social disorders or as antisocial activity. However, in Cuba any incident has a political implication. That clearly indicates the importance of politics and political problems. Osvaldo, we can begin to define these whenever you want.

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[Rodriguez] Go ahead, I think it is time to define them.

[Recio] Well, for a long time—since Karl Marx began to view history and life with a more scientific approach, as compared to earlier ideas explaining social evolution—the thesis that the economy and politics are elements that are interwoven has been proved. Ever. Lenin defined this problem as: Politics is the concentrated expression of an economy. Finally, to say it in an ideological manner, people think according to their material circumstances within society.

[Rodriguez] But many times we say that the economy dictates politics. A society needs economic strength to apply its political program.

[Recio] In reality, the economy is the structural base upon which morals, ideas, and political movements are set, although I would like to say that for revolutionary societies politics is the driving force behind the economy. I would like to continue with this issue.

[Rodriguez] Renato, continue with this interesting definition of politics and the economy.

[Recio] When a society is undergoing a revolutionary process... [changes thought] I would like to emphasize the idea that Cuba is undergoing a revolutionary process and we have been since the assault on the Moncada Barracks. All this time Cuba has been creating a revolution. There have been times when certain mimetic impressions of social laws and of politics lead some to think that society in Cuba was totally established, that Cuba had reached total stability, that it had fully developed its state and institutional organizations, that Cuba had concluded its revolutionary process. Some believed that all that was left was to follow these dynamic institutions that had been developed.

I call this mimetic because the soviet socialist model proclaimed that their revolutionary moment had ended, that socialism had been created, that all was done. There was even a phase were it was said that they were going to implement a communist society. In my opinion and not because I consider myself smarter that anyone else, in light of the historic events life has clearly proved that they had not constructed socialism, nor were their conditions appropriate to talk about communism. Their society was amidst a revolution. They had powerful enemies. They should have been much more dynamic.

[Rodriguez, interrupting] They even had an enemy within.

[Recio] Yes, an enemy within. So, when I speak of a society in a state of revolution, I speak of a society that has to be able to adapt, to change, and continually be in movement in its structures, focused on an affinity, on a future ideal; but never say that a process of transformation is concluded.

[Rodriguez] Even though the situations, over there as compared to here are not even similar, we can learn some definitions and some lessons from their situation, something parallel; they had an enemy within, we have an enemy within as well and in recent days the enemy within has shown its face. They have proven that they can go out onto the streets. If we want to continue with our Revolution and our revolutionary process, I believe that we are to analyze what you have just said, which I believe is very interesting. We must awaken our conscience, not all is done, this cannot be maintained on its own; we must be involved day after day.

When I say we, I am not referring to we the sate nor we the institutions, I am referring to we the people: each one of us who lives in Cuba, those of us who defend this process. As a comrade recently said—this is no longer about defending something belonging to the collective, even thought the idea that motivates us is collective; it is about defending yours, mine, my family, my son. That is what I believe this process is about.

[Recio] You were saying that this is not done. It is evident that we are in a critical situation, a situation of enormous difficulties, there are certain situations that are inequitable. These inequitable situations are motivated by market [words indistinct] exist because the movement of dollars is legal now. I not only say that things are not finished now, but they were not finished before. This was clearly indicated by the process of rectification that came to our Revolution before the fall of Soviet socialism. We were aware in the 80's that there were many things to be rectified. I believe that this is one of the main concepts of a Revolution, the intention to rectify matters. We always have to rectify things. We are always moving, we always strive to improve and advance.

[Rodriguez] Renato in the final moments, let us conclude this idea.

[Recio] Well, I would like to say that politics is the art of organizing the state, the equilibrium between the powers of the classes and caste. It is the formula of institutionalizing morale, the movements of thought and ideology, and the power of governing within a society. Politics has two very clear indicators on which, I believe, we should be very focused. First, politics as an expression of contradictions between the revolutionary nucleus, which in Cuba is the majority of the people, and the people that are not interested or that are enemies of the Revolution. Another indicator of politics, as important as the first, is politics applied to ourselves, to us, that revolutionary nucleus that I just mentioned. What does this mean? We are to find the best formulas to govern, the best formulas to motivate, and the best formulas to conduct man's actions in a unified and cohesive manner depending on the economy because without the economy, without material sustenance, ideas can hardly exist.

[Rodriguez] I believe that we must answer the call made by the Communist Party of Cuba [PCC] through Raul Castro, second secretary of the PCC, who has said that we have to eliminate complacency. Complacency has

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hurt us very much. When we have obtained something small, in a material since, we shout about it and live off of that issue for a long time. We forget that this is not about obtaining small things, this is about satisfying needs.

[Recio] That is what I said, that is politics. Good politics is what leads man and the revolutionary to assume the most positive and concrete achievements, achievements with results. Words are good for nothing unless they are aimed at obtaining concrete results. Now that you have mentioned Raul Castro's speech, it is a speech that I consider fundamental, with enormous importance, a political speech. I think that we should dedicate the next program to analyzing his speech, a speech that is vital to the current political and economic situation of Cuba.

[Rodriguez] Thank you, Renato, for talking straight about this interesting issue.

GRANMA Reports Delays in Sugarcane Planting

PA0209214294 Havana PRENSA LATINA in Spanish 2257 GMT 31 Aug 94

[Text] Havana, 31 Aug (PL)—The daily newspaper GRANMA has reported that serious delays in the planting of sugarcane may imperil the recovery of production for the 1994-1995 harvest, according to local experts.

For an economy that is still dependent on sugar sales for a large portion of its foreign currency revenues, and at time of severe shortages of financial resources, an increase in sugar production is vital for Cuba's recovery plans.

Only a little more than half of the 3,924 caballerias (52,660 hectares) that should have been planted in the months of July and August have been planted, thereby raising the deficit accumulated during the spring, according to official figures.

During the 1993-1994 harvest, Cuba produced some 4 million tons of sugar, after bringing in 4.2 million tons in the 1992-1993 harvest, which represented an abrupt drop from the more than 7 million tons produced in previous years and the average of 8 million tons produced in the 1980's.

The information published in GRANMA on Wednesday cited Sugar Industry Minister Nelson Torres Perez, who said all available oil should be channeled toward this industry to be used in the preparation and planting of sugarcane, confirming that no other sector is currently more vital.

The mouthpiece of the Central Committee of the Communist Party of Cuba also said the quality of the plants has not been the best, noting that cases of ill-prepared soil and the even use of seeds of the poorest quality have been reported.

Among the targets set for the 1994-1995 sugarcane harvest and the ensuing one, the government has proposed doubling the nearly 200,000 hectares planted in 1993 in hopes of reaching production levels of 8 million tons a year.

Problems With Sugarcane Planting, Harvest Noted

FL0109114094 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 31 Aug 94

[From the "NTV" newscast]

[Text] One of the Cuban Revolution's boldest economic measures has been to create the basic cooperative production unit [UBPC]. What the UBPCs can do for the forthcoming sugarcane harvest is decisive. Even though Guantanamo Province is not a great sugar producer, we touch on the difficulties that the UBPCs face in this report. Adolfo Martinez, the Sugar Industry Ministry's [MINAZ] provincial delegate, discusses how the UBPCs can contribute to the forthcoming harvest:

[Begin Martinez recording] The UBPCs are currently showing the greatest potential on the sugarcane harvest in the province. [end recording]

The Cuban Communist Party first secretary in Guantanamo spoke with reporters during his tour of the province's UBPCs:

[Begin recording] [Unidentified speaker] If we want to have as efficient a harvest this year as in previous years when we did everything possible to make the harvest efficient, it would be good for each UBPC to create a seed bank or to stake out an area...

[Unidentified speaker, interrupting] That cane was cut yesterday. We will plant it now, but God knows when it will be covered. It could be a fuel problem, tractors...

[Unidentified speaker, interrupting] Who told you there is a fuel problem? There may be fuel problems for other sectors, but the sugar sector has all the fuel it needs to plant all the sugarcane needed this year...

[Unidentified speaker, interrupting] Listen. We, all of us, came to work this morning. We are only now getting started. I just finished assigning all my workers to their tasks. My workers are cane cutters, and I assigned them their tasks at 0900 this morning. We were delayed by having to go way over there to pick up the sickles. [end recording]

Difficulties with the governing committees performing correctly, unfulfilled programs, violation of planting procedures, lack of attention, poorly maintained equipment, insufficient technical support from the agricultural complexes' specialists, and not working sufficient hours are the main problems the UBPCs face, even though some UBPCs do not encounter as many problems:

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[Begin recording] [Unidentified speaker] There are difficulties, especially with soil preparation. The agroindustrial complex is responsible for this. When you have to plant and the soil is not ready for planting, you are forced to plant anyway. That is a very big problem.

[Unidentified speaker] How do you go about demanding that the agroindustrial complex guarantee the soil's preparation?

[Unidentified speaker] Well, there are no legal mechanisms to do so. Political debate is what we have been using up to now.

[Unidentified speaker] Have you achieved any results?

[Unidentified speaker] Well, there are still two caballerias to be prepared. I would be lying if I said yes, and I cannot do that.

[Unidentified speaker] How do the MINAZ specialists treat the UBPCs?

[Unidentified speaker] The MINAZ specialists orient, run systematic surveys, and advise...

[Unidentified speaker, interrupting] Systematic? What are we doing in that field?

[Unidentified speaker] One of the mechanical parks in our province is weak. We are trying to revitalize it...

[Unidentified speaker, interrupting] Are there not enough technicians?

[Unidentified speaker] No, there are not enough technicians right now.

[Unidentified speaker] The MINAZ has 1,084 professionals and technicians, more than enough to have one at every sugarcane field. [end recording]

Pedro Espet, administrator of the Honduras UBPC, has nearly all of his 160 workers assigned to fundamental agricultural tasks. He does not need to contract outside workers:

[Begin Espet recording] I am encouraged not only by the benefits that the UBPC can reap—the governing committee and the cooperatives are very clear on this—but also by obtaining what the Revolution needs right now, namely increased production at lower cost. [end recording]

The planting, weeding, and equipment maintenance depends entirely on our own efforts. The UBPCs and the MINAZ are in charge of these areas and the repairs. This is what guarantees a definite harvest for our economy. This depends on nobody but ourselves.

Ministry Signs Sugarcane Equipment Deal With French Firms

FL0209163694 Havana Radio Rebelde Network in Spanish 1700 GMT 1 Sep 94

[From the "National Radio News"]

[Text] France's (Devespor) company, specializing in industrial and agricultural products, announced on 1 September that an agreement has been signed with the Cuban Foreign Trade Ministry to grant 50 million Francs in equipment to the Cuban sugarcane industry. The agreement involves Franco-Cuban industrial cooperation which in addition to (Devespor), includes the (FCB) society of the (Feiss Lead) Group, the (Bad Bocook) of the (CNM) Group, of (Babb); and the (Pons Guinar) of the (KSB) Group. These firms will produce some of the equipment in Cuba. The contract stipulates payment will be made in sugar and is underwritten by the French Government.

Sugar Industry Minister Wants 'Quick, Efficient' Harvest

FL0609222794 Havana Radio Progreso Network in Spanish 1100 GMT 6 Sep 94

[From the "First Thing" program]

[Text] Sugar Industry Minister Nelson Torres has stressed that the forthcoming sugarcane harvest will show marked improvement and that agricultural and industrial efficiency must increase. Torres met the heads of Sancti Spiritus Province agricultural complexes to critique general and specific problems with the last sugarcane harvest campaign and preparations for the forthcoming sugarcane harvest aimed at obtaining quick and productive agricultural and industrial response. Torres stressed during the meeting—cochaired by Pedro Saez Montejo, Cuban Communist Party first secretary in the province—the need for the forthcoming sugarcane harvest to be quick and efficient to allow more time for future harvest campaigns.

Cooking Gas Shortage Result of Plant Maintenance

FL0209205694 Havana Radio Rebelde Network in Spanish 2300 GMT 1 Sep 94

[Report by mobile unit correspondent Heidi Gonzalez Cabrera; from the "Exclusive" program]

[Text] The many calls received in our station evidence a lack of knowledge on what is causing the shortage in cooking gas. Logically, people become impatient because they do not have other fuels available for cooking. Piped cooking gas, found only in Havana, is used by 22 percent of the families there. There are two gas plants in Havana: the Evelio Rodriguez Curbelo, better known as Melones; and the Mario Fortuny in Marianao. Their equipment is not compatible.

The Melones plant has three [as heard] lines of production using fuel oil and (coque) coal, technology from the last century that produces a gas with impurities, the type that stains our pots.

The problems stem from the scheduled repairs and maintenance conducted annually on the two lines of the

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Fortuny plant. Logically, maintenance is completed on one at a time. Therefore, when a production line is shut down, and despite help from the Melones plant, there is a deficit in production of over 220,000 cubic meters. The repairs at the Fortuny plant are scheduled to last 25 days. They began on 16 August and should be completed within the first 10 days of September.

The plants in Havana currently produce between 380,000 to 400,000 cubic meters and serve 141,000 residential consumers and 17,000 state consumers. The Mario Fortuny plant requires 170 tons of Nafta daily.

The volume produced might be insufficient because of all the illegal hookups to the gas pipes, which are estimated in the thousands. Approximately two years ago, over 10,000 cases were legalized, but this only encouraged more illegal hookups. Since then, the gas enterprise began cutting off service and prosecuting illegal consumers.

According to Dimas Gonzalez, director of the Mario Fortuny plant, there are sections more severely affected than others, such as those located toward the end of the distribution pipelines, for example, low-lying areas in Plaza, Centro Havana, and sections of Habana Vieja. Dimas pointed out that by the end of September, two of the production lines will have undergone major maintenance, which will make it possible to produce a volume of 500,000 cubic meters daily.

We understand the irritation of the people affected. I believe that selling cooking fuel, alcohol, etc. would help remedy this situation. The availability of these fuels should coincide with the repair program of these plants.

Finance Official on Service Charges, Complaint Process

FL0209133694 Havana Radio Rebelde Network in Spanish 1700 GMT 1 Sep 94

[Text] Increasing prices for some services in order to reduce excess currency levels will reflect the conditions that exist in Cuba of setbacks and inefficiency in some of those same services. Reporter Mariela Diaz presents different points on the matter.

[Begin recording] [Diaz] In Cuba we do not have a tradition of making serious demands—as well as using legal means as is the case in other countries—when a service for which payment has been made is deficient. Joaquin Cambaras, one of the advisers to the Revenue Office of the Finance and Price Ministry commented on this matter.

[Cambaras] When a service is deficient, when our telephone does not work, or when we have problems with the water service, what we do is turn our complaints over to the entity that provides this service and in this sense we are submitting a complaint individually for the service that we are not receiving. But when the service is deficient or when the service does not have the quality it should have we do not have a tradition of complaining. In that sense there is a type of inertia among our population. To a certain extent, the population accepts these deficiencies as something normal. For example, many people would rather not even file a claim and put up with it until a service is reestablished.

I believe that with the increased prices for some services many people will feel compelled to demand better service when the service they receive is deficient.

[Diaz] The increase in prices for some services will bring about the necessary custom of conserving the resources that we have, which might improve the aforementioned services.

With regard to taxes, the taxpayer has the right to query when he believes his charge is unfair.

[Cambaras] When the person believes that the tax charge is incorrect, he may question the tax charge by the means that the administration has established and through proper channels. [end recording]

Officials Deny Latest Developments Curtailing Tourism

PA0309030994 Havana PRENSA LATINA in Spanish 1423 GMT 2 Sep 94

[Text] Madrid, 3 Sep (PL)—Representatives of the Cuban Ministry of Tourism in Spain and important tour operators emphasized here the atmosphere of safety enjoyed by Spanish tourists in the island.

During a meeting with the media, Marite Lopez, director of the Cuban Tourism Office in Spain, ruled out any ties between visitors' safety and the latest events in the Caribbean nation.

She said no visitor has been subject to physical aggression, although there are isolated cases of minor thefts due to tourists' excessive confidence, which also occurs in other tourist centers.

The director of the Cuban Tourism Office in Spain criticized reports which appeared in some Spanish media, according to which tourism toward the largest island in the Antilles had brusquely decreased, and she did not rule out the possibility that a disloyal competition was behind this campaign.

Meanwhile, Raul Rodriguez, exclusive administrator of "Guama," an enterprise owned by "Havanatur, Inc." and one of the most important Spanish tour operators toward Cuba, denied the market had dropped. He asserted that sales in July and August had increased, adding that he was fully booked for September.

Agreeing with other specialists, he said that demand always drops in late August and early September, given the manifest seasonal activity in the Spanish market, which is usually higher in July and August.

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Amed Oliva, director of "Ibernacan," an enterprise owned by "Cubanacan, Inc." that specializes in receptive tourism, emphasized the affluence of tourists to that hotel consortium doubled last month compared with the same period last year.

During the Spanish summer season and the month of August only, Cubana de Aviacion flew 5,536 passengers, compared with 3,981 during the same period in 1993, Victor M. Aleaga, director of Cuba's national airline, explained.

He also insisted that none of the flights scheduled for September had been cancelled, adding the five weekly flights established for this season are still in effect.

According to official information, Spain ranks fourth among countries which send tourists to the island, behind Canada, Germany, and Italy, which represents 10.5 percent of the people who visited the Caribbean nation last year.

A total of 34,124 Spanish tourists had arrived in Cuba by the end of July 1994, compared with 26,038 during the same period last year, which represents a 31 percent increase.

Moreover, the approximate figure for August only is 11,000, compared with 8,500 during the same month in 1993; and forecasts indicate an affluence of 73,000 visitors from all over Spain in 1994.

Article Explains National Family Planning Practices

PA0809182594 Havana PRENSA LATINA in Spanish 0931 GMT 7 Sep 94

["Exclusive" article by Doris Hernandez: "Cuba: Flexible Family Planning Policy"]

[Text] Cuba promotes parental responsibility in choosing the number of children couples want to have and the proper time for childbirth with a policy of free procreation.

Policy guidelines include the rational use of abortion methods, although it is not part of the family planning method.

The free decision to choose the time for having a child is exercised through a health program based on educational facilities and access to the proper means for avoiding unwanted pregnancies.

In support of the National Family Planning Program, the UN Population Fund [UNFPA] cooperates in supplying contraceptives and in the training of specialized personnel and family doctors (this is being done at the community level).

The purpose of this assistance is to increase the available material and human resources to reduce the rate of pregnancies that are interrupted without medical safeguards and to increase the health of women nationwide during their fertile years, especially those who run greater gynecological risks.

The UNFPA bases its support on Cuba's successes in child-maternity health and on the need to reduce the number of voluntary abortions, from 670 for every 1,000 pregnancies to 550 for every 1,000 pregnancies.

For example, Cuban hospitals are applying the mother-child Joint Lodging Model (MAC)—a strategy promoting natural procedures in the handling of pregnancies and puerperia.

This model involves the promotion of breast feeding, one of the goals of Cuba's national action plan for the fulfillment of the goals established by the international community at the World Children's Summit.

In 1991 the WHO and UNICEF implemented the breast feeding hospital initiative, known as child- and mother-friendly hospitals.

It involves special recognition of those health centers that strictly apply internationally recognized measures to guarantee a successful natural lactation.

For the past three years activity in this field significantly increased, and, following rigorous evaluations conducted by international experts, currently more than a dozen Cuban hospital centers are recognized as being child- and mother-friendly hospitals.

A nation such as Cuba, which annually invests a great amount of resources on mother-child treatment, had forgotten the noble practice of breast feeding.

The MAC requires that holistic treatment be provided to the mother and child by an interdisciplinary health team in the hospitalization stage involving childbirth and puerperium.

The benefits of the MAC include early breast feeding and the promotion of proper conditions for the adaptation of the newborn to ex utero life with the active participation of the mother. In addition, the MAC instituted the family planning method of breast feeding and amenorrhoea—the absence of menstruation—known as MELA.

The MELA is based on a system of encouraging lactation with the appropriate techniques that can allow for a better emptying of the mammary glands with the subsequent inhibition of the woman's ovulation.

The family planning program in Cuba until the year 2000 was described as extraordinary by Dr. Halfdan Mahler, director general emeritus of the WHO.

As secretary general of the International Family Planning Federation (IPPF), Mahler described the Cuban public health system as unique, "from which we must all learn, even in matters of sexual and reproductive health."

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According to Dr. Miguel Sosa, president of the Cuban Society for Family Development, there is an integrated family planning system on the island.

This development, he said, requires better health and orientation services each day, some aimed at youngsters and adolescents, to spread the concept that children must be conceived at the most appropriate moment for the health of the mother and child.

Sosa pointed out that pregnancy interruption, despite being socially tolerated, does not constitute a suitable method of regulating fertility. Its employment is justified when a mistake has been made, which leaves the couple with the alternative of having to accept an unwanted child.

A total of 130,000 abortions are performed in Cuba every year for reasons that include a woman not being of a proper age for pregnancy, a pregnancy that is too close to the previous childbirth, and social prejudices and pressures.

Cuban specialists believe the best option involves more active educational work and the supplying of a wide variety of contraceptive methods.

Politburo Member: Schools Should Discuss August Events

FL0209165194 Havana Radio Rebelde Network in Spanish 1155 GMT 2 Sep 94

[Report by Carmen Oria; from the "Doing Radio" program]

[Text] Ideology and political training are fundamental tasks of Cuban schools. In this sense, Politburo member Maria de los Angeles Garcia Alvarez stressed that the chain of events that began with the kidnapping of vessels and the murder of soldiers following the disturbances of 5 August in Havana, which led to the significant increase in illegal immigration from Cuba, should be a subject of discussion in our schools today, along with the powerful reaction of our revolutionary people. Garcia said that to ignore these circumstances is irresponsible, fleeing combat, myopic, and cowardly. She stated that it is the obligation of the school leadership, every teacher—spearheaded by base organizations of the Communist Party of Cuba and the Union of Young Communists—to lead the discussion in the classrooms and halls in order to replace stories and somewhat personal experiences with calm analysis of the true causes and by denouncing the manipulations and moral decay with which the United States attempts to destabilize us. In order to do so, we call all to a discussion that must keep in mind two important circumstances: the age of the students and the local community.

Garcia stressed that we must protect the joy and innocence of our youth with a large dose of intelligence and tenderness, in order to convey a message of encouragement through simple, clear explanations. Garcia said that reflection and analysis must prevail with adolescents and young people. The truth must be confronted with the huge doses of dignity and decorum of our people in a committed effort to save us all, as well as our beloved fatherland and socialism, disregarding alienated positions reflecting the enemy's smear campaigns, pessimism, or individualism. This discussion, stressed Garcia, must be developed in harmony with the school's community, taking into account its labor and social composition, the drive of its revolutionary forces, and the influence that the aforementioned events had in the area. Thus, the school, as never before, must be linked to the community, to discover and understand the community's problems and needs.

Ross, Lazo Chair Havana Union Cadres Seminar

FL0409221794 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 4 Sep 94

[Text] Pedro Ross Leal, secretary general of the Cuban Workers Federation, announced that the assemblies for economic efficiency will begin nationwide on 15 September. He made the announcement during a provincial seminar, held in Havana to brief union cadres on the assemblies. The seminar was also chaired by Politburo member Esteban Lazo.

The main subject of these meetings is workers' contributions to social security, an issue that will be extensively discussed with all workers to ensure full understanding and so that every union leader is well prepared. During the first part of the plenary, Pedro Ross spoke of the need for this contribution and gave the historical background of such contributions since the beginning of the Revolution. The system of social security contributions ended in 1980 as a result of the General Salary Reform.

Havana's union cadres expressed their concern about ways to resolve workers' doubts, requesting strong arguments and adequate research before beginning base-level discussions.

Esteban Lazo added that the media alone should not be expected to divulge this information, but that every union leader must do his part.

The state invests approximately 1.6 billion pesos annually in retirement, disability, and social security benefits. If to this we add education, health, culture, and sports, it totals about 5 billion pesos, or 40 percent of the budget. In 1958 in Cuba, only 40 percent of the working population was entitled to social security benefits. Currently, 69 percent of the enterprises receive subsidies, but workers' benefits have still not dropped. This contribution is therefore not a special period measure, but a definite step toward restructuring the state and national economies.

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Cienfuegos Observes 5 September Uprising Anniversary

FL0509225794 Havana Radio Reloj Network in Spanish 1946 GMT 5 Sep 94

[Text] The 37th anniversary of the 5 September uprising was observed today in Cienfuegos with a ceremony of patriotic reaffirmation and support for the Revolution.

Politburo Member Carlos Rafael Rodriguez, together with Julio Camacho Aguilera, leader of the uprising, and Manuel Menendez Castellano, first secretary of the party in Cienfuegos, participated in the celebration, which brought thousands of people together in Jose Marti Square, which is where the uprising took place.

Cubans expressed their support for the government's policies and rejection of imperialistic maneuvers during the ceremony, and Menendez Castellano stated that the province is ready to face any challenge no matter how difficult it might be: "Struggle, fight, and victory!" He added that true Cubans are in the trench of duty to save Cuba and that they are courageous and faithful to the Revolution. Menendez stated that today is necessary for putting honor and duty above all difficulties, as the 5 September combatants did.

From early in the morning, Cienfuegos witnessed a symbolic attack on Cayo Coco where the uprising took place. There were also ceremonies in the old San Lorenzo School, as well as other places associated with the revolt.

The 5 September contingent, comprising 150 party and Union of Young Communists members, received an award banner and will participate in the next sugarcane harvest support activities.

The gala entitled, The Fields Belong to Us, which was observed yesterday, was the first in a series of ceremonies to commemorate the anniversary, which culminated in the traditional pilgrimage to the (Tomas Aceda) Cemetery, where the obelisk that guards the remains of the people who died in the revolt is located.

Playa Giron Fighter Brigade Honored on Anniversary

FL0609012694 Havana Radio Rebelde Network in Spanish 2300 GMT 5 Sep 94

[Text] The rich history of the Playa Giron Fighter Brigade, from its participation in that feat in 1961 to its current combat readiness, was praised today during a ceremony marking the 35th anniversary of its creation. Numerous messages of congratulations were read during the ceremony, such as the ones from Division General Leopoldo Cintra Frias, member of the Politburo and chief of the Western Army, and Brigadier Gen. Ruben Martinez Puente, chief of the Antiaircraft Defense and Revolutionary Air Force [DAAFAR]. Both men stressed the decisive participation of pilot fighters, technicians, and other brigade workers, not only in Playa Giron but on internationalist missions, and now by increasing their combat and mobilization readiness through intelligence and self-sufficiency efforts.

During the closing of the ceremony, Brig. Gen. Carlos Lamas Rodriguez, chief of the Western Army DAAFAR, affirmed that the brigade's troops are worthy of recognition and urged them to continue to enrich their history through daily struggle and a can-do attitude.

Haiti

French President Cited on Rejecting 'Military Adventurism'

FL0909232394 Port-au-Prince Signal FM Radio in French 1030 GMT 9 Sep 94

[Text] French President Francois Mitterrand has told French ambassadors meeting on world diplomacy that France has officially changed its policy on Haiti, taking a stand against the embargo and U.S. military intervention. Mitterrand is a surprising man: Just as UN Secretary General Butrus Butrus-Ghali leaves it to the United States to handle the Haitian crisis and as Washington considers armed intervention in Port-au-Prince, the French president surprises everyone by redefining his country's position on Haiti. France's head of state refuses to support Bill Clinton's foreign policy on the Caribbean, notably on Haiti and Cuba.

Mitterrand set the record straight at a meeting with 189 French ambassadors on 31 August. Bill Clinton has always been able to bring Mitterrand into the international fold on Haiti since the [word indistinct] embargo ordered against the country. Mitterrand now rejects the kind of military adventurism whereby the United States involves France in the interest merely of the star-studded eagle. He said: Our involvement in any interventionist adventure is out of the question.

During his important address to the French diplomats, President Mitterrand clearly and subtly declared war on the embargoes that are hitting certain points on the globe hard and tackled numerous issues, including the balance of power, European construction, and hot issues like Algeria, Bosnia, and Haiti.

Although France's head of state confirmed that there are differences between France and Uncle Sam, he made a point of reassuring the diplomats that relations between France and the United States are good, the United States having been a superpower in the past and now the great winner of the Cold War. Mitterrand said: It is still a great country. The fact remains that it is a great, friendly country that has considerable means. This friendship does not need to be proclaimed again. The loyalty to our commitments has been respected every time. We differ sometimes, as we do on several issues right now. We do not want to sacrifice our diplomatic traditions and our interests to anybody, but we treat those matters in such

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a way that one cannot conclude that there is a crisis in our relations with the United States.

Warships in Capital, Saint-Marc, Cap-Haitien, Gonaives

FL1209151494 Port-au-Prince Radio Metropole in French 1045 GMT 12 Sep 94

[Text] The highlight of the news this morning is incursions by U.S. warships into Haitian territorial waters, notably the presence of two, even three U.S. warships, which entered Port-au-Prince Harbor yesterday afternoon, and are now as close as 3 km, or a few hundred meters off the capital's harbor.

The ships, which were not identified, maneuvered off Port-au-Prince in large circles, then stationed themselves off the city. According to people living near the coast, helicopters took off from the ship to hover just above sea level. No sign of panic was observed among the seaside residents who carried on with their usual activities. However, the presence of about 100 armed individuals was observed on the Port-au-Prince wharf.

It should be pointed out that there have been incursions of other U.S. ships in Saint-Marc and Gonaives. Witnesses report that U.S. helicopters and ships were noticed in this northern region of the country. On Saturday, 10 September, a U.S. warship was also observed in Cap-Haitian.

There has been no official reaction on the Haitian side. Neither the Haitian government, nor Haiti's Armed Forces have yet reacted to the presence of those ships or to the incursions observed over the past few weeks in Haitian territorial waters.

Military Leaders Call U.S. Presence 'Psychological Warfare'

PA1209231194 Madrid EFE in Spanish 2140 GMT 12 Sep 94

[Report by Herold Jean-Francois]

[Text] Port-au-Prince, 12 Sep (EFE)—The de facto Haitian Government described the presence in nearby waters of U.S. military ships and helicopters as "psychological warfare" by the United States.

Although the government headed by Judge Emile Jonassaint has not reacted to the incursions into Haitian airspace and maritime borders, government sources told EFE today that military leaders met on Sunday night.

The sources said that the military leaders feel the presence of warships and helicopters are part of a "psychological war initiated by the Clinton administration."

At the meeting, the military leaders reportedly maintained their decision to face a possible military invasion commanded by the U.S. Armed Forces.

Three U.S. Navy ships violated Haitian territorial waters Sunday, when they got as close as 6 km from the Port-au-Prince port, witnesses reported today.

Sources from the de facto government controlled by military commander and coupist leader Raoul Cedras said "the threats" from the United States came between 1500 and 1900 (2000 and 2400 GMT) on Sunday.

Meanwhile, Dejean Belizaire, leader of the Senate sector supporting the coup, said today that the United States has a "superpower complex."

Belizaire, who is also leader of the extreme rightist "National Patriotic Movement of 28 November," said that the incursion into Haitian airspace and waters is a violation of Haiti's sovereignty.

In addition, he held deposed constitutional President Jean-Bertrand Aristide responsible for the violation of Haiti's national sovereignty.

People whose homes are in the hills close to the port said they saw three helicopter take off from the ships and overfly the area.

Other reports indicate that over the past weekend U.S. ships were seen in Saint Marc, Gonaives, and Cap Haitien in the northern part of the country.

In late August, a U.S. Navy ship came a short distance from the port in Cap Haitien.

According to press reports, despite the presence of U.S. warships, there was no panic among the population.

One hundred armed civilians arrived at the Port-au-Prince port when the ships were seen approaching the area, according to reports.

Source Says Military Leaders 'Calmly' Awaiting Invasion

PA1309015294 Mexico City NOTIMEX in Spanish 2324 GMT 12 Sep 94

[By correspondent Maria Lourdes Pallais]

[Text] Port-au-Prince, 12 Sep (NOTIMEX)—The coupist military leaders are "calmly" awaiting an imminent invasion of Haiti while local militias continue training. Meanwhile, the presence of warships along this capital's coasts today kept the population on edge.

Amid numerous reports by domestic and foreign media about an imminent invasion of this impoverished country, one local businessman said the top leaders of the Haitian Army seem to be at ease.

The source said: "The generals are calm and relaxed, as though they know something I do not." The source's business ties link him to General Philippe Biamby, head of General Raoul Cedras' General Staff.

"Tomorrow or the day after, we will meet with Cedras and he will brief us on the situation. I believe he has vital

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information, but it is obvious that neither he nor Philippe are nervous," he added.

"They know something. The truth is that they did not even flinch when the helicopters appeared overhead; they remained very calm," the businessman stated.

In addition to the presence of warships along Haiti's coasts and the movement of seven cargo ships in the area several days earlier, a number of U.S. helicopters overflew Port-au-Prince on the morning of 11 September.

The businessman added: "The people ran from the beaches terrified when they heard the sound of the rotors. Meanwhile, militiamen aimed their rifles at the warships.... It was a scene that would have made a great photo."

"Nevertheless, the generals are very calm. Only the rank and file seemed shocked," according to the businessman, who spoke today with two media correspondents who recently arrived in Haiti, one of whom is from NOTIMEX.

"The truth is that no one is certain of anything. Perhaps only the military knows something," and this is why they are so calm. On Thursday, we will have more concrete information," [no opening quotation marks as received] the source added. U.S. President William Clinton is expected to speak on the Haiti issue this week. Haitian analysts are convinced that this will take place on Thursday and that he will make important announcements regarding the conflict.

According to one former Haitian diplomat, "a campaign of terror against the clergy and all (Jean-Bertrand) Aristide followers could start if Clinton decides to issue an ultimatum during his speech."

As hundreds of poorly dressed armed militiamen train with old M- 19 rifles every morning near Army Headquarters, the possibility of an invasion is being discussed in the houses and offices of Haitian officials and intellectuals. On the streets, the people also seem to be awaiting an imminent military action led by the United States. The UN Security Council approved such an action on 31 July, and the cost of such an invasion is estimated at $427 million.

"It is possible that this will be decided before Clinton's speech to the United Nations on 26 September to avoid getting to that point without a decision," said the former diplomat who had spent years in the United States.

"I do not think it is advisable for Clinton to wait until after the legislative elections on 8 November" in the United States. "Such a decision could be criticized as being politically motivated," he added.

The diplomat said Police Chief Colonel Michel Francois and General Philippe Biamby "would be willing to take up arms" should there be intervention.

"Cedras is something else. I have no doubt that negotiations could be going on" to get Cedras political asylum in some country with his wife Yamick, the former diplomat noted.

"I am sure now that the days of the military men are numbered and Aristide's return is imminent," the source concluded.

Other local politicians, however, argued that Aristide, with or without an invasion before or after the first week of November, will never return to Haiti as president—a post from which he was toppled three years ago.

"An egg can never return to the hen," one businessman close to the coupist military leadership said, citing a popular Haitian saying.

Joint Command Staff Member Says Army 'Will Not Yield'

PA1309015194 Paris AFP in Spanish 0102 GMT 13 Sep 94

[Excerpts] Port-au-Prince, Sep 12 (AFP)—The Haitian Army "will not yield to the threats of invasion but will resist," a Joint Command staff member said this Monday. His statements were later quoted by the private station Radio Metropole in Port-au-Prince.

The officer, who asked that his name not be revealed, said the intrusion of U.S. warships in several Haitian ports, including one in the capital city, over the past days were "provocations." He asked: "Why don't they do the same in Cuba?"

These statements are the first military reactions to the latest threat of an invasion to be carried out predominantly by U.S. soldiers. [passage omitted]

Port-au-Prince Mayor-elect Evans Paul of the National Front for Change and Democracy (a pro-Aristide organization) has stated that he is against any invasion by foreign troops, although he blamed the governing Armed Forces for any such eventuality.

Opponents of Aristide has also condemned the invasion threats.

Former Mayor Protests Refugee Participation in Police Force

FL1209224894 Port-au-Prince Signal FM Radio in French 1030 GMT 12 Sep 94

[Passages within quotation marks in Creole]

[Text] Former Port-au-Prince Mayor Gerard Vital-Herne has protested the U.S. decision to allow Haitian refugees being held at Guantanamo to participate in the police force to be deployed in Haiti following intervention. Setting the record straight, Vital- Herne said he would like the international community to treat the Haitian issue better. Vital-Herne expressed some reservation over the political refugees' participation in the

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force that will maintain order in Haiti. Vital-Herne again suggested that the Haitian police force be reorganized to avoid the worst:

[Begin Vital-Herne recording] "It is possible to organize the police force using what is available right now and to give it autonomy. It can be done gradually; it cannot be done suddenly; it must be done gradually. There is a difference between the police mission and the army mission." The police have a mission purely of public order, a mission of social guidance. "The police have a mission purely of public order. There is a great difference between curative police and preventive police. There is a difference between curative police and coercive police." [end recording]

The Governors Island Agreement had provided for the separation of the police and the army. Vital-Herne does not see it this way, pointing out that the current police force should logically participate in a new police force in Haiti since they are veterans.

The U.S. Government is considering allowing 500 of the refugees at Guantanamo to participate in the police force.

Engineer Franck Pierre, Capois Lamort leader, said that this shows just how immoral the foreign policy amateurs in Washington are and just how in need they are of an immigration policy.

Parliament Closes Without Holding Final Session

FL1209215994 Port-au-Prince Radio Metropole in French 1045 GMT 12 Sep 94

[Text] The eighth and final session of the 45th Haitian Parliament was supposed to be held today. Senate President Firmin Jean-Louis issued a communique complimenting all 45th Parliament legislators and reminding that Article 92.2 of the 1987 Constitution stipulates that the second legislative meeting of the year closes on the second Monday in September. Today's session will not be held, given the current circumstances—notably, the imposed presence at the Haitian Parliament of the contested 18 January 1993 legislators despite the New York pact. However, Senator Firmin Jean-Louis notes that the eighth session of the 45th parliament was supposed to be the final session anyway.

Radio Cites Secretary Christopher's 11 Sep Remarks

FL1209223094 Port-au-Prince Radio Metropole in French 1600 GMT 12 Sep 94

[Text] Secretary of State Warren Christopher said on 11 September that the days of the Port-au-Prince government are numbered and that the military will have to give up power whether it likes it or not. Christopher told NBC that the military does not have much time, adding that all diplomatic resources have been exhausted. The bottom line is that they must leave their post and allow democracy to return, the secretary of state continued. U.S. troops would spearhead an invasion of Haiti but would be quick to leave to allow UN troops to take charge. It would be a matter of a few months, Christopher said, indicating that remaining U.S. troops would make up less than half of the UN contingent. Several European countries are ready to support the United States in this respect, Christopher said, naming Belgium, the Netherlands, the UK, and France. He pointed out that the risk to human life and not domestic politics—referring to the November vote—was making President Clinton's decision difficult. Christopher reiterated that U.S. intervention in Haiti is motivated by the need to protect human rights, to restore democracy in one of the hemisphere's two nondemocratic countries, to stem the tide of immigrants to the United States, and to maintain the Clinton administration's credibility.

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Government Opposes 'Protectionist' Trade Measures

PA1309023294 Mexico City EL FINANCIERO in Spanish 9 Sep 94 p 20

[Article by Lourdes Gonzalez Perez]

[Text] Pedro Noyola, under secretary of foreign trade and foreign investment of Secofi [Commerce and Industrial Development Secretariat], signaled that Mexico opposes any measure that hampers the free flow of merchandise among nations. This is the principle on which Secofi operates and by which it will defend its trade interests abroad, he remarked.

He reported that this ministry will analyze the European Union and other nations' decisions on trade and, if it is detected that protectionist goals exist, "Mexico will react appropriately."

He also indicated that our nation will continue using the GATT, and subsequently the World Trade Organization, as a means to defend exporters' interests "whenever it is necessary."

He strongly rejected the suggestion that placing certificates of origin on certain imported merchandise is being used by Mexico as a protectionist measure.

He explained that these certificates are meant to avoid the triangulation of products that currently pay compensation quotas to enter the Mexican market, saying that "in no way does Mexico attempt to hamper the free flow of merchandise from any country."

Meanwhile, during Noyola's participation at the inauguration of the National Encounter on Higher and Technical Education in the Export Culture, he said that in the last decade Mexico has drastically changed its attitude on foreign trade, emphasizing exports, diversifying its sales abroad, and moving toward a production environment oriented toward the export markets.

He recalled that in regard to trade opening, the previous permits for imports have been almost totally substituted by tariffs and only approximately 2 percent of the value of foreign purchases require permits, "that are granted in a transparent and automatic fashion."

In addition, he stressed that the tariff structure has been justified: Currently, there are only five rates and the maximum tariff is 20 percent, the standard around 12 percent, and the median less than 5 percent.

On another subject, he referred to the problems that have come up between the United States and Mexico regarding the cement and steel trade. He recalled that once the final resolutions are issued, the nation adversely affected can make use of the option in NAFTA's Chapter 19.

That chapter provides for a very specific and precise mechanism for a panel to review the definite regulations within NAFTA. Nevertheless, he stated that "at no time are any of the members prohibited from using other organizations or using other procedures to defend their trade interests."

Therefore, he said that for diverse work groups provided for in GATT, that purpose will continue to be used, particularly the anti-dumping [last word published in English] code that sets out clear procedures on how to present complaints or charges.

When questioned on the European Community's resolution to limit gradually the import benefits of some developing nations, Noyola said that Secofi is analyzing the resolution and assessing the impact on domestic industry before deciding what measures to take.

He indicated that any protectionist measure that limits the free flow of merchandise will be rejected and referred to appropriate institution.

PAN Council Issues Resolution on Strategy, Past Elections

PA1309045694 Mexico City EL FINANCIERO in Spanish 6 Sep 94 p 45

[Report by Linaloe R. Flores]

[Text] The National Action Party [PAN] today will state that despite the prevalence of inequities—the vote was predetermined, but there is no legal evidence to speak of fraud—the official results of the past elections are the expression of the electorate.

That is how, following a national council, the white and blue party will guarantee the results issued by the Federal Electoral Institute—results that at the national level rank the PAN as the second most important political force, following the PRI [Institutional Revolutionary Party] and leading the PRD [Party of the Democratic Revolution].

The document containing the resolutions of the white and blue national council, drafted primarily by Carlos Castillo Peraza, president of the PAN CEN [National Executive Committee], will be made public this afternoon. It stresses the decision not to form alliances with other political forces for the next elections. The upcoming special elections in Guanajuato, where Vicente Fox is the virtual candidate of a possible alliance with the PRD, are included in this decision.

The course that has identified the party since 1988, when Manuel J. Clouthier was nominated as presidential candidate, will be maintained from now on.

According to the established resolutions, which were obtained from leading party sources, this strategy will remain in effect but will include a few added demands.

The main imperative is that the PRI and the government separate definitively and that the tricolor party obtain resources from autonomous sources that can be duly scrutinized.

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In announcing its resolutions, the PAN favors immediate talks to restructure public power.

PAN's relations with the federal government will adhere to the ground rule established by Efrain Gonzalez, PAN national leader in 1970: "As much discrepancy as possible and as much agreement as entirely necessary."

Carlos Castillo Peraza admitted to the PAN national counselors who met last Saturday that the final part of the document which refers to strategies was being prepared "under the pressure of the circumstances" but that they had beat the deadline. Thus, he said, the announcement of the resolutions will be made today instead of next Thursday, as had been scheduled.

Several national counselors concurred that it is not appropriate for PAN to make alliances with other forces, and they were especially categorical about not making an alliance with the PRD. The San Luis de Potosi representatives presented to the national council their dramatic experiences with political alliances during the past elections, when they presented Concepcion Calvillo Nava as a candidate. They reached a consensus that the PRD is, in effect, an opposition force, but it also opposes the PAN's principles.

In this respect, Jose Angel Conchello stated that the PRD had made an alliance with the Democratic Forum, "which has an anti-PAN purpose, and it would be senseless for us to join people who are against the PAN."

The PAN, according to the resolution's general lines, will have respect for the true opposition forces as basic elements of democratic movements.

Conchello, who has virtually been elected senator, explained the distinction PAN makes between fraud and inequity in the electoral process. "We can talk about manipulated and predetermined votes due to fear factors. This, however, is not fraud as described in the legal guidelines," Conchello indicated. It should be called inequity or injustice, he admitted.

PAN, he asserted, will not make fraud charges without legal evidence. As a party, however, it will say that the process was markedly biased and unfair.

The counselors asserted that the document containing the resolutions includes the feelings of all PAN members; from their sharpest differences to their subtlest agreements.

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El Salvador

UN Report Says Land Transfer Program 'Paralyzed'

PA0709171294 San Salvador Canal Doce Television in Spanish 0300 GMT 1 Sep 94

[From the "Up-to-Date" newscast]

[Text] The latest report by the UN secretary general expresses great concern over the failure to comply with vital aspects of the peace agreements. In his letter to the Security Council, Butrus Butrus-Ghali pointed out that the land transfer program is virtually paralyzed. This has led to a tense situation between the authorities and the former fighters who are demanding that the promises contained in the Chapultepec agreement be fulfilled.

Apparently, problems with the Armed Forces over the transfer of land to the former FMLN [Farabundo Marti National Liberation Front] fighters will remain on the agenda of the signatories to the peace agreements for a long time.

Enrique Ter Horst, the chief of the UN observers for El Salvador, confirmed on Wednesday that the agreement to benefit approximately 40,000 demobilized fighters from both the Armed Forces and the FMLN continues virtually paralyzed.

Actual, Alleged Corruption in Government Discussed

Calderon Sol Calls for Openness

PA0709175694 San Salvador LA PRENSA GRAFICA in Spanish 3 Sep 94 p 12A

[Text] President Armando Calderon Sol said yesterday that he will put an end to corruption in all government institutions and that all government officials involved in corrupt actions will be legally prosecuted.

The president, who attended the military ceremony where Deputy Defense Minister Jose Alexander Mendez was promoted to general, explained that he has offered his full cooperation to the Attorney General's Office so it can start the necessary legal actions. "The government has offered all its cooperation to the Accounts Court so it can investigate the handling of funds by public officials," the president asserted,.

The president reiterated that he wanted the actions of government officials to be open, as this is demanded by democracy and the new country we are building.

In taking the oath of office, the president warned that he would not tolerate any type of corruption during his administration and asserted that transparency would be the norm during his mandate, which is to end on 1 June 1999. "Our administration will be a clean one and will respect public issues so that democracy can continue to gain credibility," Calderon Sol stressed.

The Accounts Court detected mismanagement of funds in several municipalities and government institutions. This prompted Dr. Calderon Sol to react and call for this evil to be eradicated.

On another issue, the president expressed his support to the reforms and the changes in the Judicial Branch that are to be implemented by the new Supreme Court, which is presided over by Dr. Jose Domingo Mendez.

"The reforms, to which the Supreme Court is committed at a national and international level, are part of the changes taking place in El Salvador that are geared to creating true democracy," he observed.

At least 12 ranking officials in the Supreme Court were removed from their positions last Thursday. Others have resigned to allow the new authorities to appoint trustworthy personnel.

Calderon Sol Says No New Evidence

PA0909234194 San Salvador Canal Doce Television in Spanish 0300 GMT 8 Sep 94

[From the "Up to Date" newscast]

[Text] President Armando Calderon Sol has denied charges raised by Dr. Kirio Waldo Salgado and pointed out his government is fighting against tax evasion.

On several occasions, the president of the republic has demanded that rightist ideologist Kirio Waldo Salgado present evidence of the charges of corruption and orgnized crime, because otherwise he is just spreading gossip. Now, the president admits he met with Dr. Salgado, but he says he has not received any evidence.

[Begin Calderon Sol recording] I did in fact meet with Dr. Kirio Waldo Salgado. He told me there was influence peddling, but he did not give me any names. If he has specific names, persons he wants to accuse, as a lawyer he knows very well the proper channels for doing this. [end recording]

Calderon Sol said that during the meeting, Dr. Salgado requested an overall tax investigation. The president feels this is being done by reviewing dossiers.

[Begin Calderon Sol recording] All Salvadorans must pay taxes. We are going to review this, we are going to investigate case by case until we attain total payments according to our laws. It is not right if not all Salvadorans are contributing to national development and progress. [end recording]

The president of the republic also hinted that the government might change its mind concerning asylum for Cuban rafters. Calderon Sol said the government is closely following this situation, and should it worsen, we might receive Caribbean refugees, despite El Salvador's territorial and population problems. He also said he is willing to establish relations with Cuba, as long as Fidel

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Castro provides a democratic opening, and the authoritarian and dictatorial regime—which Calderon Sol feels is trampling on human rights—disappears.

Analyst, President Meet

PA0909191194 San Salvador Canal Doce Television in Spanish 0300 GMT 8 Sep 94

[From the "Up to Date" newscast]

[Text] Kirio Waldo Salgado, a rightist ideologist, said today he has given the president of the Republic a list of names and specific details of individuals involved in organized crime and influence peddling.

The president of the Freedom and Democracy Institute is apparently willing to demonstrate his charges are not gossip, as President Armando Calderon Sol has called them in the past. Kirio Waldo Salgado confirmed on 7 September he gave the president certain documents disclosing corruption, influence peddling, and organized crime, along with names.

[Begin Salgado recording] I met with President Calderon Sol, and I informed of certain instances of influence peddling in the government. [end recording]

Salgado says the time is not right to publicly announce the information he has, because he does not trust the judiciary system yet. He said, however, he will do it if the government does not investigate the charges. The controversial analyst also accused the finance minister of mercilessly harassing a rice company and forcing it to pay an import tax of more than 40 percent.

[Begin Salgado recording] We are going to expose the case of this individual whom the fiscal authorities are harassing 24 hours a day. Believing in the freedom of trade and competition, he has imported rice and was forced to pay a 40-percent import duty rather than the 5 percent being paid by the big shots of La Argolla Dorada. [end recording]

The rice company is competing with the latter company owned by an individual who is influential within ARENA [Nationalist Republican Alliance] and who financed Calderon Sol's electoral campaign in the past when he ran for mayor of the city. Salgado challenged the finance minister to publish which companies are paying more than 100 million colones in taxes during a three-year period.

DEA Adviser to National Police on Counternarcotics

PA0909235094 San Salvador LA PRENSA GRAFICA in Spanish 8 Sep 94 p 6A

[Text] Narcotics Prosecutor Reynaldo Gonzalez yesterday said that the Prosecutor General's Office and the PNC [National Civilian Police] Narcotics Division, which is being counseled by the U.S. DEA, are strengthening a [words indistinct] fight against drug trafficking in our country.

The official said that the department he represents, the Narcotics Department of the Prosecutor General's Office, has no relations whatsoever with the DEA, but said the agency does advise the PNC Narcotics Division.

He explained that the Prosecutor General's Office Narcotics Department gets involved in all drug-related cases by following up on the police investigations until these cases are handed to the courts, where they are still subject to investigations.

Gonzalez pointed out that the PNC Narcotics Division, which is in charge of all investigative procedures, drug seizures, and capture of alleged drug traffickers, maintains contacts with the Prosecutor General's Office through permanent prosecutors assigned to the zone by the Prosecutor General's Office.

However, he underscored the DEA has no power to participate in a police investigation, but did not rule out it can do so as an observer and without carrying any type of weapons, because our country's laws forbid it.

Prosecutor Gonzalez justified the presence of the DEA in the country by pointing out that in view of the world drug trafficking scourge, there are countries interested in fighting it, perhaps not in eradicating it, because it is well-rooted. Nevertheless, it can be confronted, and the United States is one of those countries that gives support in this fight.

"El Salvador is helping in this fight, albeit in small proportions, but we have the resolve to confront drug trafficking; this is how the DEA is advising the PNC," he remarked.

The narcotics prosecutor believes one achievement made is that the DEA is able to work together with the PNC, mending situations he believes were wrong in the past, and we are trying to carry out all raids within the judicial framework. The Narcotics Division agrees, and all the information the DEA can supply is being funneled through the PNC. The information never reaches the Prosecutor General's Office, because it usually is police information.

"The Prosecutor General's Office and the PNC every day are reinforcing a team to fight drug trafficking, avoiding judicial or penal procedural shortcomings—a fight in which the DEA helps by advising the PNC," Gonzalez added.

Narcotics Official: Drug Trafficking Increasing

PA0709190094 San Salvador EL DIARIO DE HOY in Spanish 3 Sep 94 p 3

[Text] A high-ranking official in the Civilian Police Narcotics Division (DAN) said that trafficking has increased and that therefore there is a high risk that consumption will increase.

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The authorities' concern has prompted greater participation by the Armed Forces. Defense Minister General Humberto Corado said that the Air Force and the Navy are patrolling the coasts to prevent drug trafficking.

Nevertheless, he admitted that these efforts are not enough to control drug trafficking, as there is a lack of resources to control the whole coastline. In El Salvador a gram of cocaine is sold at 200 or 300 colones.

Cartels With Salvadoran Contacts

According to the DAN, the principal Colombian cartels operate in Central America where they set up contacts and networks.

This was confirmed by Colombian Diego Fernando Orozco, one of the people arrested this week in possession of $11 million worth of cocaine. Orozco said that a Salvadoran is his contact here.

Orozco, who confessed his participation in trafficking, refused to disclose the identity of his contact to reporters. But he did say that the authorities already have this information.

The prisoner did not disclose either from what social circle his contact is, although he said "he has influence; I have given all information on him and he has not been arrested."

For DAN, another of the most involved contacts is Blanca Reina Leon Navarrete, lifetime companion of Orozco. Leon, who accused the police of placing the hot goods in her home, claims to be a representative of the travel agency Allan Travel Service.

According to the investigators, Blanca Leon and Orozco himself were arrested some months back for illegally bringing a group of Peruvians into the country. Both were later released.

According to the sources, Leon is in charge of arranging false documents and of taking illegal aliens to the United States. But many of these people are used as "mules," that is, they carry drugs in their stomach.

DAN says that the drug traffickers pay their contacts for drugs in cash as well as in merchandise.

How Was the Last Seizure Obtained?

Investigations began 12 days ago when Colombian Ruben Dario Hernandez Busto arrived here. Narcotics police in Panama, Costa Rica, Nicaragua, and Honduras joined forces to track Hernandez's movements.

Hernandez said he was at Blanca Lopez's [name as published] place, and the authorities confirmed that she rents the warehouse where she met with Hernandez.

The detainee said that his contact was an official whose name he did not disclose, the DAN said.

"We know that the one behind all of this is Blanca Lopez, her mate Orozco, and the maid. But when we arrived at her agency no one was there," he added.

The DAN has asked the courts to allow them to search the homes of several suspects.

FPL Issues Communique on FMLN Uniting Forces of Left

PA1209193494 San Salvador EL DIARIO DE HOY in Spanish 10 Sep 94 p 6

[All quotation marks as published]

[Text] The FPL [Farabundo Marti People's Liberation Forces]—the largest faction within the FMLN [Farabundo Marti National Liberation Front]—stated in a communique that it is necessary for the FMLN to become "a new party, and to do this, the FMLN needs to break away from the five party groups that tie it up and to open up to other forces or groups belonging to the Salvadoran left."

"This will imply radical changes in the conception and operation of the FMLN, which would guarantee the ideological reorganization of values, which would give rise to a new type of relations with the civilian society, and which would lead to the birth of a new left," the communique emphasized.

It indicated that "we propose to work within a process of political debate and reforms to the party's organization with goals and timetables leading to the total unification of the FMLN."

The group explained that the dissolution of the five groups could take place in May 1995 during a special convention, in which "the process of democratic election" of the FMLN's leadership bodies will also be accomplished.

The internal differences in the FMLN became evident on 1 May when the new Legislative Assembly was installed and seven of the 21 FMLN deputies supported the candidacy of the ruling Nationalist Republican Alliance (ARENA) to the presidency of the congress.

The deputies, who were members of the People's Revolutionary Army (ERP) and the National Resistance (RN), as well as ERP leader Joaquin Villalobos, were stripped of their functions within the FMLN on 9 May following a decision by the FMLN's National Council.

During the second special convention, which was held on 28 August and which sought to define the course of the FMLN, an agreement was reached to postpone the sanctions against Villalobos and the other seven deputies, and it was determined that the five groups had "common grounds" to unify the FMLN.

The former guerrillas agreed to meet at another convention next October to discuss the same problems.

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The FPL said that a party of the democratic left should be led by "solid principles of political ethics that can overcome the lack of credibility, the feebleness, and the discredit before society."

A party of the democratic left should also eradicate "deception, trickery, corruption, and noncompliance with commitments, as well as the lack of sensitivity and solidarity, disloyalty, demagogic discourse, and fallacious and conniving arguments."

The FPL explained that only in this way could these groups be able to make move toward a "process of a unified fight based on the different ideas and ideological trends that lead to unity under new guidelines."

The FPL conceded that the Salvadoran leftist groups "lack a national project that gives them the strength to become a true alternative of government and the agent for the structural changes the country needs.

"The left faces the challenge to continue promoting the current process of democratic transition in such a way that it does not divert from the interests of the large majority," they added.

The FPL, the Communist Party of El Salvador (PCES), and the Revolutionary Party of Central American Workers (PRTC)—the smallest of the five groups—uphold the Marxist ideology, but the ERP and the RN have described themselves as social democrats.

Poll Shows 'Average' Rating For Government

PA0909234894 San Salvador Canal Doce Television in Spanish 0300 GMT 9 Sep 94

[From the "Up to Date" newscast]

[Text] The Public Opinion Institute at the UCA [Central American University] disclosed today that most Salvadorans have described President Armando Calderon Sol's performance during his first 100 days in office as average.

According to the poll, the average Salvadoran believes the current administration has done a good job of improving the country's appearance but has disregarded the people's economic situation.

When the people were asked how they would rate the government on a scale of 1 to 10, they gave it an average rating of 6.

According to the poll, 39 percent of the respondents characterized the government as "average" and 2.5 percent said it is "very good." The Salvadoran people have observed improvements, but the measures adopted to overcome the economic crisis continue to be the current government's weakest point.

The majority rated the government as "average." The next largest group said it barely passed the test; and the third said the government will not fulfill the big promise it made to change the fatalistic view that a person who is born poor will die poor, at least not within the next three months.

Among the wealthier sectors, the president received a higher rating, but among the low-income sectors, Calderon Sol did not make the grade. In both poor and rural sectors, the government received an average rating of 5.78.

With regard to the economy, the poll shows that the opinions of most Salvadorans are based on their low purchasing power, which does not coincide with the government's macroeconomic indices. Two of every three Salvadorans have noticed positive changes in the city's appearance and the struggle against crime.

This involves the role the president played as mayor of San Salvador. However, with regard to economic problems and crime—especially the economic issue, which at present is more important than crime—the people have a very pessimistic opinion.

For 44.6 percent of the respondents, Calderon Sol's administration is resolving the corruption problem, but a similar percentage, 43.2 percent, believe he is not. Forty-two percent of the respondents believe Calderon Sol's actions are more beneficial to the wealthy sector; 14 percent believe they are more beneficial to members of ARENA [Nationalist Republic Alliance], and 25 percent believe they are beneficial to the wealthy and poor alike.

The poll was conducted between 3 and 4 September with 1,294 respondents from various social classes in 10 departments.

Nicaragua

Sandinist Bloc Elects Tellez To Replace Ramirez as Leader

PA1309024794 Panama City ACAN in Spanish 0131 GMT 13 Sep 94

[Text] Managua, 12 Sep (ACAN - EFE)—"Commander" Dora Maria Tellez was elected today the new head of the Sandinist bloc in the National Assembly, deepening the division facing the Sandinist National Liberation Front (FSLN).

During a regular meeting of the Assembly bloc, the last one presided over by writer Sergio Ramirez, Tellez won the election unopposed with 29 votes in favor, eight against, and one abstention.

Tellez, one of the 15 members of the FSLN Directorate, replaces Ramirez, who was dismissed by the FSLN General Assembly, which is controlled by the radical sector led by Daniel Ortega.

Ramirez was expelled from the Assembly for failing to obey a party order to postpone indefinitely the constitutional amendments bill.

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The election took place four days after the Sandinist Assembly, the party's top leadership entity, decided that former President Daniel Ortega should occupy his seat as deputy instead of Ramirez.

Dissident Sandinist deputies, with the support of lawmakers of the Christian Democratic Union (UDC) and the Nicaraguan Democratic Movement (MDN), submitted the proposal on 5 September. During that same session, the Sandinist bloc ratified the Assembly's regulations that were approved in April 1990 by 33 votes in favor, three against, and two abstentions. Damaso Vargas, one of the deputies who voted against Tellez, told the media he will contest the internal regulation of the 'bloc.'

He added that Tellez' election will be contested because the 78 deputies and their alternates, including the FSLN secretary general, were not invited to the meeting. The Assembly bloc also agreed to file a suit before a lower court against Sandinists Carlos Jose Guadamuz and William Grisby, managers of radio stations Radio Ya and La Primerisima, respectively, for injury and slander. According to Sergio Ramirez, who was the spokesman at the meeting, Guadamuz and Grisby "have made false statements and lies against the Sandinist bloc" from the microphones of the stations they manage.

"This is a right the bloc decided to exercise because they felt offended and their dignity assailed by these charges that distort with lies the actions of deputies who have distinguished themselves for their adherence to revolutionary principles," Ramirez stated.

Panama

Lewis Confirms Flights of Cuban Rafters Suspended

PA1309000594 Panama City Circuito RPC Television Network in Spanish 2300 GMT 12 Sep 94

[Report by Alexandra Ciniglio from the "RPC Television News" newscast]

[Text] There are already 840 Cubans in Panama as part of Operation Safe Haven. These people have expressed their concern following the signing of an agreement between the United States and Cuba in which it was decided that Cubans who were at the Guantanamo Base and Empire Range will not receive U.S. visas.

With concerns rising, people in charge of the first camp in Panama told journalists that flights were suspended due to bad weather. Foreign Minister Gabriel Lewis Galindo, however, gave other reasons:

[Begin recording] [Lewis] The flights of Cubans were suspended for the time being until the situation in Guantanamo and the rafters' final destination are decided.

[Ciniglio] Could the agreement between Panama and the United States be broken?

[Lewis] Absolutely not. They reassured us today that the Cubans will stay in Panama a maximum of six months, as they agreed. [end recording]

The foreign minister said he did not have an answer for Cubans who are protesting the agreement reached with Cuba last week. He explained it would be up to the United States to decide the future of the Cubans in Panama.

[Begin Lewis recording] The United States has the final word, not Panama. We authorized them to keep Cubans here on their bases as guests for a period of up to six months. We have no reason to think otherwise. They reconfirmed this to me this morning. [end recording]

The foreign minister was clear in noting that every woman in the camp who is found to be pregnant will be transferred in time so the children will not be born in our country.

Phones Said Tapped With Southern Command's Consent

PA1209161794 Panama City LA PRENSA in Spanish 12 Sep 94 p 4A

[Report by Hermes Sucre Serrano]

[Text] Legislator Gerardo Gonzalez has charged that the national telephone network is wiretapped through a system implemented by Menalco Solis, former security chief of former President Guillermo Endara, in common agreement with Southern Command authorities.

"President Guillermo Endara chose his partner, Menalco Solis, to be a conduit for stool pigeons and an instrument for judicial terrorism," Gonzalez stated.

Gonzalez made the charge while attending a Legislative Assembly session last week.

He said that covert operations with the consent of the Southern Command were very common during the Endara administration. "I know from my own experience," he added.

Gonzalez said many citizens are mistaken in thinking that wiretapping only involves leaders and figures. "The entire network, without exception, is tapped," he stated.

According to Gonzalez, all conversations are recorded, and if there is some particular interest, action is taken.

Referring to the confirmation of former Christian Democratic legislator Jose Antonio Sossa as attorney general, Gonzalez, president of the PRD [Democratic Revolutionary Party], said Sossa will have to eradicate the corruption that has turned the Attorney General's Office into a "den of iniquity."

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Gonzalez said "we want a hearing to clarify the infamous and monstrous persecution unleashed during the previous regime against PRD leaders and their families."

He said Sossa has the hard task of purging the Attorney General's Office and going after some "untouchables."

According to Gonzalez, the "untouchables are in the National Banking System (SBN) and the Colon Free Zone, and they are involved in laundering drug money."

According to the PRD leader, the Attorney General's Office cannot again be used as a tool for political persecution but must be dedicated to the objective investigation of crime.

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Argentina

Menem on Rio Group Summit, Cuba, Haiti, Elections

PY1209224994 Buenos Aires LA NACION in Spanish 11 Sep 94 pp 1, 12

["Exclusive" interview with President Carlos Menem by Carlos M. Reymundo Roberts, LA NACION Latin American correspondent, in the Tango-1 presidential plane on 10 September, while returning to Buenos Aires after the Rio Group summit in Rio de Janeiro, Brazil]

[Text] [Roberts] You said that the Rio Group could no longer ignore the Cuban issue. Are you satisfied with the document issued on that question?

[Menem] Yes, I am, because this is the first time that we have made a statement on that issue through a document. This was absolutely impossible in the past, because there was adamant opposition to it. The text refers to the need for the democratization of Cuba, something which was not mentioned in the previous Ibero-American summits or Rio Group meetings.

[Roberts] Did Argentina wish that the Rio Group had issued a tougher document?

[Menem] It goes without saying that the document is not as forceful as we wished it to be. Still, it is a document that expresses the consensus reached on that issue. Nearly all countries, except for Brazil and Mexico, agreed with our position.

[Roberts] You discussed armed intervention in Haiti with President Clinton on 8 September. When do you think it will take place?

[Menem] Well, LA NACION already reported on its 10 September issue that President Clinton told me it is imminent.

[Roberts] Would you say it is a matter of days?

[Menem] Yes, I think it will take place this week.

[Roberts] Has Cordoba Province Governor Eduardo Angeloz been entirely ruled out as your possible running mate?

[Menem] Yes. I was surprised more than anyone by the idea. I simply talked to him and asked him to reconsider his decision not to run for the presidency. It is a very important desertion for Argentine democracy at this juncture.

[Roberts] Some may have thought, Mr. President, that this might simply be convenient for you, and that you would stand to gain if Angeloz were running for president, as he would take away greatly from the Grand Front, for example.

[Menem] But the Grand Front has no clout at all! Let us call a spade a spade; it was only successful in the polls in the city of Buenos Aires. And the rest of the country? It has no influence in the interior, and will not in the 14 May elections. We will just have to wait and see what happens with the plebiscite in Buenos Aires Province, as its outcome will give us some guidelines.

Moreover, there is quite a lot of infighting within the Grand Front. The leaders are in strong disagreement with one another, and have even termed one another traitors. This, rather than projecting them into the future, undermines their strength.

[Roberts] How do you envisage the first round of the elections?

[Menem] The Justicialist Party will win in the first round. The Radical Civic Union [UCR] will be the runner-up, followed by the Grand Front.

[Roberts] Are you so sure there will be no runoff?

[Menem] Absolutely. At this moment, we are leading with a 20 point difference.

[Roberts] To what public opinion poll are you referring?

[Menem] Several. In Buenos Aires Province, the average difference among several districts surpasses 20 points. The result of a survey conducted in the city of Buenos Aires by Hugo Haime—which the press took great care not to publish, or to do so in very small print—shows that the president of the Republic has a support rate of 28 percent, while the Grand Front has 17 percent. Eleven points of difference in the constituency in which the Grand Front is supposed to hold sway!

Let us be very clear about this. These are not absolute values. We are well aware that public opinion polls are only guidelines, some approximation to reality, which can change overnight.

[Roberts] When will the name of your running mate be disclosed? When would you like to have him?

[Menem] I already know who he is, but I will disclose it in March, following the primaries. If I were to release his name now, I would make him the target of the entire press, of political pressures. I do not wish my running mate to suffer such a useless loss of face.

[Roberts] What is he like? Is he young?

[Menem] He is a relatively young man, a very able man of great talent... But I am not going to say anything else.

[Roberts] Who do you think will be the UCR presidential candidate?

[Menem] There will be a scramble for the nomination, but I think that if Dr. Raul Alfonsin proposes his candidacy he will be chosen as presidential candidate. Otherwise the struggle will be between Deputy Freddy Storani and Rio Negro Province Governor Horacio Massaccesi.

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[Roberts] Are you negotiating a new Olivos pact to establish a possible electoral alliance?

[Menem] No, I want to categorically deny it—there is no such pact. I find it odd that LA NACION and some other newspapers should have published that. We do not need any pact to win the elections in the first round. I think that it would be suicidal for Argentina to try to vote another party in.

Ecuador's Duran Ballen Arrives, Meets Menem

PY1209223294 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1638 GMT 12 Sep 94

[Text] Buenos Aires 12 Sep (NA)—President Carlos Menem and his Ecuadoran counterpart, Sixto Duran Ballen, today analyzed the two countries' bilateral relations and regional development polices. The two presidents met at Government House during Duran Ballen's 46-hour visit to Argentina.

Menem and Duran Ballen met at the Pink House at noon. Menem explained to his Ecuadoran guest the Argentine position with respect to the hemispheric summit that will be held in December

Ecuador will occupy the Rio Group secretariat temporarily and is responsible for coordinating, during 1995, the positions derived from the presidential meeting in Miami.

Duran Ballen arrived in the country this morning. He was supposed to have been received by Menem at the metropolitan airport's military sector, but for unknown reasons, the Argentine president did not show up.

Menem remained at Government House. Early in the morning he inspected the area that is being remodeled at Government House and promised a journalist that, if possible, he would hold a news conference before receiving Duran Ballen.... talked for a long time with a journalist. [sentence as received]

Menem and Duran Ballen will sign agreements on tourism, telecommunications, and cinematography, which will complement agreements signed during Menem's visit to Ecuador in February.

Tomorrow at 1000 the two presidents will have a working meeting at the Olivos residence. At 2000 the presidents will sign the agreements during a ceremony at the Alvear Palace Hotel.

Di Tella: UK Military Could Stay in Falklands Settlement

PY1209234394 Buenos Aires BUENOS AIRES HERALD in English 10 Sep 94 pp 1, 2

[Article by Nicholas Tozer]

[Text] Foreign Minister Guido Di Tella announced that an eventual settlement over the sovereignty of the disputed Malvinas Islands would not necessarily mean the British military forces would have to leave the islands and that Argentina was willing to recognize "the specific lifestyle of the islanders."

Speaking on British independent television ITN on Thursday in response to a question whether the British Army would have to leave the islands if a settlement was reached, Di Tella explained that "we can make an agreement if they (the islanders) want to have the Army," adding that "if the British want to spend 60 million pounds (100 million dollars to keep a military base on the islands) every year and that gives them pleasure, we will not be opposing that."

Asked by ITN whether the latest offer made to the islanders to pay a monetary compensation for accepting an eventual change of sovereignty amounted to Argentina obtaining joint sovereignty with Britain of the islands, Di Tella said that they (the islanders) would recognize Argentine sovereignty and we will recognize their way of life." [no opening quotation marks as published] (The Foreign Minister said Argentina was willing to accept anything that is "in their Constitution" of which "we will accept everything and all of us will be happy easily."

Consulted as to what the British would have to do if such an arrangement was reached, Di Tella explained that "we will not consider any solution that will mean the removal of the people. If the payments are made, they will not be made for the people to leave, that will not be the case. We are thinking of an entity like a province with special rights."

During the interview Di Tella also explained the significance of the new Malvinas clause recently added to the Argentine Constitution saying it should be seen by islanders as holding three separate messages, "first, that the matter will not go away, which was one of the hopes the British and the islanders had. The second is that when our President speaks about the year 2000, when the islands will be ours again, he is referring that by the year 2000 through diplomatic means we are going to convince the British and the islanders that our offer is better. And the third message is that in the same constitutional clause it is said that we will recognize or maintain the specific lifestyle of the islanders. This, I think, is a breakthrough in our attitude vis-a-vis the islands."

Asked how much international support Argentina might have for reaching a settlement over the future sovereignty of the Malvinas in such conditions Di Tella said he thought that with "our flexible attitude, very great."

Shots Fired at Naval Base Linked With U.S. Vessel's Visit

PY1309034394 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1853 GMT 12 Sep 94

[Text] Mar del Plata, 13 Sep [date as received] (NA)—Police and Navy sources today confirmed that an

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unknown person fired off several shots at the guard post at this city's submarine base. No one was hurt.

The incident occurred early this morning, when an unknown person in a car shot at least five times at one of the guard posts located in the neighborhood of Peralta Ramos Avenue.

It has been learned that the bullets hit the cement front of the guard post. The armored windows were not damaged, nor was the guard wounded. The guard did not have time to answer the attack.

The Buenos Aires Province Police were alerted immediately, but the individual escaped quickly toward the southern part of the city.

Police sources told NOTICIAS ARGENTINAS that members of the 4th Regional Police Unit mounted an extensive operation to try and arrest the individual, but without result.

Navy sources linked the unusual incident to the arrival of the nuclear submarine "Seahorse" of the United States Navy. This unit will take part in the Unitas-35 exercises that are soon to be held.

Judge Carlos Vazquez of this city is in charge of the investigation.

Bolivia

President on Legalization of Drugs, Ties With Chile

PY1209191494 La Paz Radio Fides Network in Spanish 1100 GMT 12 Sep 94

[Text] The Fides News Agency has reported that, following his arrival yesterday at the El Alto International Airport from the Rio Group meeting, Bolivian President Gonzalo Sanchez de Lozada said there is no official Bolivian Government proposal to legalize drugs in view of the lack of an international consensus on this issue.

Sanchez de Lozada confirmed that the national debate on coca production and trafficking has been postponed until 15 September. This debate will be held among representatives of different Bolivian national sectors and international organizations.

President Sanchez de Lozada dispelled expectations of a resumption of diplomatic ties with Chile and an understanding between Chile and Bolivia on the sea outlet issue. He said this is not the proper time to discuss these issues.

Invites Groups To Debate Coca Issue

PY0809170094 La Paz Television Nacional Network in Spanish 0100 GMT 8 Sep 94

[Text] Through a letter, the president has officially invited nine organizations to debate the coca issue. The following organizations have been invited to participate in the debate: the Bolivian Journalists Assocation [APB], the Catholic Church, the Bolivian Private Businessmen Confederation [CEPB], the Armed Forces, the National Police, the Bolivian Labor Federation [COB], the General Trade Union Confederation of Bolivian Peasant Workers [CSUTCB], the Coca Producers Union [Sindicato the Productores de Coca], and the Mass Media Chamber.

The following are highlights of the president's letter: The dangerous effects of the use of coca leaves from Chapare in cocaine manufacturing is having an increasing impact on our society. This is an issue that must be dealt with great urgency, because it affects thousands of peasants who are victims of drug trafficking. These peasants must be ensured a dignified life by liberating them from the slavery to which they have been unfortunately subjected.

Bolivia must resolve the issue without overlooking international cooperation, but particularly relying on its own forces and the creativity and effort of its citizens.

I would like to invite the organization you represent to participate in this debate with your suggestions, which will allow us to find an overall solution to the Chapare problem.

The invitation is for 13 September, that is, this coming Tuesday, at 1600 in Government House.

The president has also invited a second and third group to this dialogue. The second group is comprised of political party representatives, and the third of international organizations and coca production cooperation organizations.

Government Admits Operation New Dawn Did Not Achieve Goals

PY0909020594 La Paz PRESENCIA in Spanish 28 Aug 94 p 7

[Excerpt] Operation New Dawn, which began on 13 July and which was one of the largest antidrug operations in the last few years in Chapare, has not achieved the objectives the government was expecting: It did not convince coca growers of that zone to accept the voluntary plan to eradicate coca.

Government Minister German Quiroga said cocaine base production was reduced by 70 percent in the zone, but the eradication of surplus coca will not be achieved despite a drop in coca prices.

The operation sought to reduce the possibility of making cocaine and thus cut coca prices and make peasants accept the voluntary coca eradication plan to reach 5,500 hectare by 30 September.

U.S. aid worth $20 million depends on the eradication plan which has been pending for more than one year.

Just one month after the operation which created a state of war in Chapare, the results are not convincing for the

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government. Social Defense Secretary Mario Soliz said the country will lose at least $15 million of the $20 million if it is unable to eradicate 5,500 hectare of coca by late September.

There has been no report of the arrest of any drug "kingpins." It has been officially reported than more than 100 peasants allegedly involved in cocaine base production, and the illegal sale of coca and precursors have been arrested. [passage omitted]

Brazil

Government 'Will Not Encourage an Exodus' of Cubans

PY1209191194 Sao Paulo AGENCIA ESTADO in Portuguese 1853 GMT 10 Sep 94

[Text] Rio de Janeiro, 10 Sep (AE)—Brazilian Foreign Minister Celso Amorim today stated that Brazil will treat Cuban refugees arriving in Brazil under the conditions stipulated by the UNHCR. Noting that it is not official Brazilian Government policy to attract refugees, he said: "We will not encourage an exodus."

Amorim believes those Cubans who reached the Brazilian coast ultimately want to go to the United States. He said they should leave Brazil for the United States. In his opinion, Brazil is just a stepping stone for them to reach the United States.

Finance Minister Discusses Economic Plans

PY0909001194 Rio de Janeiro JORNAL DO BRASIL in Portuguese 7 Sep 94 p 4

[Interview with Finance Minister Ciro Gomes by journalist Marcelo Pontes; place and date not given]

[Excerpts] [Pontes] Did the reality of your first day at the Finance Ministry frighten you?

[Gomes] I would not say it did not frighten me as a human being, the sheer volume of problems requires a great deal of prudence. During my first contact, however, I had the opportunity of again finding, this time in a systematic manner, a team of geniuses. It would be impossible to gather so much talent unless under a leadership like that of President Itamar Franco and Fernando Henrique Cardoso when he was at the Finance Ministry. [passage omitted]

[Pontes] The IPC-r [Consumer Price Index-real], which serves as the index for salaries readjustment, has become a cursed index. Will you maintain it?

[Gomes] We must preserve confidence and credibility in the economic plan. I cannot change my opinion about the technical inconsistency of an index that registers the inflation rate in one currency with residues of the inflationary logic of another currency. In the name of credibility and of an unmistakable good faith in the government, however, we cannot further modify it. We must be patient and face the consequences of this situation.

[Pontes] Do you believe the IBGE [Brazilian Institute of Geography and Statistics], which is responsible for the IPC-r, is really a PT [Workers Party] den as [former Finance] Minister Ricupero said?

[Gomes] I would not like to elaborate on Minister Ricupero's unfortunate words because I have a great affection for him. I believe the affair was unfortunate and I believe it is very inhuman to exult over the disgrace of a person who has humiliated himself as he did when he apologized to the country.

[Pontes] Minister Ricupero's comments showed a certain obsession in reducing the import taxes in order to force prices down. You cannot escape this issue because it is now very current. What will happen in this area?

[Gomes] Nothing different from what has been happening. We have a plan and this plan is anchored to very strong bases—fiscal austerity, balanced public expenditures, a fight against speculation and abusively high prices, a rigid monetary policy, balanced exchange policy without artificial interferences, and controlled utility rates. It is clear that this plan is not restricted to its original concept and demands daily control. We must administer the bases, which are always the same, while keeping our eyes on demand, credit, interest rates, prices, the external front, capital flow, trade balance, and general or specific offers of one product or another. To summarize, on all combat fronts of a complex economy which is in transition, as ours is. [sentence as published]

[Pontes] How many blows does inflation still need to receive?

[Gomes] I want to make very clear that there is nothing new in what I have said. Inflation will receive as many blows as necessary to keep it low—and this does not mean implementing any new provisional measure or any new initiative. All that is required is to hammer home the real plan and guarantee that what is established in the real plan will be implemented and controlled by the people. The people will then prefer to save instead of going on a spending spree because such sprees prevent civilizations from succeeding.

[Pontes] How will you act, if everyone knows that Fernando Henrique Cardoso is really your candidate?

[Gomes] Concretely, in everyday gestures. But I want—and I have already told the president, and he agrees—to participate in a serene discussion about the limits and borders that define the imperative duty of preventing the government administrative machine from becoming involved in an electoral campaign. I want to do this because on the other side of this situation is the democratic, natural, and legitimate participation of citizens and political agents in the defense of ideas, proposals, and doctrines that are encompassed in the ideology of a party, a coalition, or in someone's leadership.

[Pontes] Are these borders not very clear in Brazilian policy?

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[Gomes] No. We run the risk of falling into a hypocritical situation that would offend the intelligence of the Brazilian people. It is wrong to call the foreign press and press charges against our own country in a way that harms independent institutions such as the electoral court. Let us suppose Lula one day wins the presidential elections. It would seem logical if the people expected his talented vice presidential candidate to be appointed to the Finance Ministry. Everyone believes Mercadante has been trained by the PT for this event. If he then had to succeed Lula, what would Mercadante do? Would he give up the ministry? Would he convince the people he had left his PT convictions aside, or would he summon Ricardo Fiuza to replace him at the ministry and thus prove that he was neutral? Frankly, this is not the way democracy is exerted in the United States, in Europe, in Japan, or in any other place where there are mature democratic institutions.

[Pontes] So what must be done?

[Gomes] What must be clearly established is the legal limit. People's relations must be legally established. To this extent, we have the penal code, the civil code, the electoral code, and the codes for public administration organization. These are explicit borders. But we also impose another limit, the ethical limit. These things must be confronted before the people. No one can be taught ethics. It is the people who judge that. No one can have the arrogance of believing that the Brazilian people are unable to criticize these things.

[Pontes] Do the people, therefore, know very well whether the government is involved in the electoral campaign?

[Gomes] Speaking very concretely, I will now say what I think: If a Brazilian citizen sees a note one minister sends another proposing the use of a dedication ceremony to help to promote a certain candidate, everyone immediately sees this is inappropriate. It may not be a mortal sin because it is not systematic and is not a deliberately criminal attitude, but it is an unfortunate attitude which should be criticized, as it was, by the president of the Republic. I am not coming to the Finance Ministry to play or to behave like a small street peddler. I have come here to act seriously and to serve Brazil.

[Pontes] How can you say you are impartial over the elections if you are already criticizing Lula?

[Gomes] I did not criticize Lula. I said it is unfair to be denied the opportunity of at least being sworn in before becoming the victim of suspicions in the moral plan, particularly because I have been summoned, at this stage of my life, for a serious mission that encompasses terrible problems. This is unacceptable. I said I would ask Lula if he believes it is right to make suggestions regarding the public policies I will have to handle and to ensure him there will be no involvement of the government machinery in Fernando Henrique Cardoso's campaign. This follows an instruction by the president of the Republic and a direct request by Cardoso. I will contact Lula because I believe he is a man of good faith.

[Pontes] Lula and the adversaries of Cardoso say that by simply choosing you for the Finance Ministry, the government is showing that it is involved in the campaign. How would you answer this?

[Gomes] One of the candidates identifies himself with the continued implementation of projects started by this administration. Could Quercia nominate a finance minister? Without evaluating Brizola's virtues or reasons, would you say he would be comfortable appointing a person to administer the economic plan? Would Lula agree to give up Mercadante or anyone else? Would Eneas Carneiro administer the economic plan? Would Esperidiao Amin nominate Delfim Netto or another outstanding brain of the Progressive Renewal Party? People are aware of these things. Spurious manipulation should be prohibited, but it is absolutely legitimate and it is a democratic imperative to recruit people who have affinities with the government to help administer the government policies. Some people are trying to dramatically and seriously presume that beyond the politicians' soft talk are people unable to make valuable evaluations. They say our people do not have an independent way of thinking and need to be monitored by the desperate rhetoric of politicians who do not have proposals and do nothing but attack and insult people who want to work.

[Pontes] What is Brazil's main problem?

[Gomes] The development model and the state model. One problem is linked to the other. Brazil has been destroyed, the Brazilian government has been destroyed, and our economic model has been destroyed over the years. We now plan to stabilize the economy. But this is not enough. We will need a deeper structural project capable of restoring the government's capacity to formulate essential policies that have also been exposed to destruction. Among these are public health, the social welfare system, the economic infrastructure which results in bottlenecks in transportation, telecommunications, science, and technology. Once the fight against inflation is won, we can concentrate on our development model, productivity, the quality of our products, economic diversity, infrastructure bottlenecks, the cost of using our ports, the level of our basic health services, education and basic sanitation, the collapse of the large cities, and the rise in levels of violence. These are the real problems we must resolve.

Minister Announces Coffee Sales, Measures To Reduce Prices

PY1209134794 Brasilia Radio Nacional da Amazonia Network in Portuguese 1100 GMT 12 Sep 94

[Text] Finance Minister Ciro Gomes yesterday said in Brasilia that the government will reduce all import duties to meet the needs of the Brazilian market. He said the measure seeks to avoid shortages or speculation on

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any product. He said a reduction of import duties will balance the market without hurting Brazilian manufacturers. He said:

[Begin recording] I proposed to President Itamar Franco the immediate enforcement of what is known as the Common External Tariff, TEC, which was agreed within the Common Market of the South, Mercosur. This will help us achieve our basic objective—to reduce overall import duties, but not to the drastic point of exposing Brazilian production to predatory practices. We want to implement this as soon as possible to prevent distortions and undesirable imbalances between supply and demand. [end recording]

Gomes said the government this week will issue a provisional measure on the antidumping law which will protect Brazilian products from unfair competition and create an interministerial committee to monitor economic sectors that may suffer as a result of imports.

Speaking to reporters at a hotel, Gomes announced the sale of 2.4 million sacks of coffee to bring prices down. He said 1 billion reals are being made available for the 1994-95 agricultural harvest.

Gomes described as a threat to the real plan, and a bad example for other labor groups, the strike called by metalworkers of the Sao Paulo industrial belt region. He said the government will make sure that salary indexation practice will not be revived.

Gomes will meet with Industry and Commerce Minister Elcio Alvares on 14 September to formulate the government's policy on domestic coffee supply until mid-1996. The government is concerned about the increased domestic coffee prices stemming from higher international market prices and from the frost-provoked 40 percent drop in the 1994 Brazilian coffee harvest.

Frederico Robalinho, secretary for commercial policy at the Industry and Commerce Ministry, said the government wants to guarantee the future coffee supply. To this end, the government is designing a strategy whereby coffee exporters set aside one sack for the domestic market for every two sacks exported.

The government is also concerned about the high price of coffee in Brazil. While a kilo of coffee costs $5.90 in Europe and in the United States, it costs $6.40 in Brazil.

Nuclear Cooperation Agreement To Be Signed With Russia

PY1209134394 Brasilia Radio Nacional da Amazonia Network in Portuguese 1100 GMT 12 Sep 94

[Text] The Russian and Brazilian Governments will, on 15 September, sign a cooperation agreement on the peaceful use of nuclear energy. The document will be signed by Brazilian Foreign Minister Celso Amorim and Russian Atomic Energy Minister Viktor Mikhaylov.

The agreement envisages cooperation in several areas like research, thermonuclear fusion [fusao termonuclear], and safety.

Chile

Pinochet: Army Has 'No Reason To Seek Pardon'

PY1209190894 Madrid EFE in Spanish 2334 GMT 11 Sep 94

[Text] Santiago, 11 Sep (EFE)—General Augusto Pinochet, the former Chilean military president and current commander in chief of the Chilean Army, stated on 11 September that the institution has no reason to seek pardon because of the 11 September 1973 military coup, arguing that their action saved the country.

Pinochet asked: "There are those who clumsily seek pardon. Let them seek pardon. From whom will we seek pardon? From those who tried to kill us? From those who tried to spoil the country?"

He added: "They (the Marxists) should seek pardon for all the abuses, for everything they did prior to 11 September 1973."

Pinochet, who ruled the country with an iron fist from the date of the coup to 11 March 1990, said this at the Military School upon receiving the greetings of the corps of Army generals, headed by Army Deputy Commander General Jorge Lucar.

Pinochet was greeted by board members of the two rightist parties opposed to the government of President Eduardo Frei: the National Renewal (RN) and the Independent Democratic Union (UDI).

According to the local news agency ORBE, about 100 people gathered outside the military institution, shouting slogans in support of Pinochet and the 1973 coup.

The Army recalled this 21st anniversary of the coup with a mass at the Military School's main square where homage was also paid to those who died in action ending the socialist government of President Salvador Allende.

RN President Andres Allamand said: "The important thing after 21 years is that we can say that today we have a country on a very good footing, with an economic system that allows us to gradually overcome poverty."

UDI Secretary General Domingo Arteaga said all members of his party feel the 11 September coup makes them "very proud because it created a country with an institutionally organized future."

Frei Returns From Brazil, Stresses Achievements

PY1209191694 Santiago Television Nacional de Chile Imagen Internacional in Spanish 1100 GMT 12 Sep 94

[Text] Chilean President Eduardo Frei returned last night from Brazil. He referred to the events of 11

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September [the anniversary of the ouster of President Allende in 1973] and made a positive balance of his participation in the eighth Rio Group presidents' summit. He used the occasion to conclude the matter referring to the resignation of Santiago Metropolitan Region Intendant Fernando Castillo Velasco.

It has become customary for President Frei to talk to passengers during international trips. This time, when entering Chilean airspace, he walked throughout the LADECO [Chilean Airlines] plane talking to passengers. At the airport he was welcomed by Vice President German Correa. The brief ceremony marking the transfer of power was held at the airport's VIP hall. President Frei said all Chilean objectives were fully achieved in this eighth summit of the Rio Group presidents. Asked about the events of 11 September, if this date still divides the Chilean people, he said:

[Begin recording] I hope not. I think we are assuming our history and taking the necessary steps toward reconciliation. I hope all Chileans, not just a sector of the country, will take this as a national task. [end recording]

Concerning the resignation of the Metropolitan Region intendant, the president categorically stated:

[Begin recording] It has all been said and done. I concluded this matter before leaving for Brazil, so the subject is closed. I only have one more thing to say: Following the instructions of the president of the Republic, the interior minister and the Interior Ministry under secretary attended the security committee meeting on Wednesday. That committee made a decision and all government and state members of that committee must assume and respect that decision. That is all. [end recording]

Colombia

Defense Minister Sets Guidelines for National Police

PA1109193494 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 1800 GMT 10 Sep 94

[From the "Cripton" newscast]

[Text] Defense Minister Fernando Botero Zea has given the National Police four basic guidelines for recovery following the recent crisis in that institution.

At the end of a meeting of National Police commanders, Botero Zea listened to the concerns of each commander. He thanked General Guillermo Leon Diettes, the new national assistant director, for returning from Washington, where he was police attache [agregado policial], before the scheduled end of his tour, to assume his new duties.

The minister also made several recommendations to the police:

[Begin Botero Zea recording] Strengthening intelligence work is a priority. Prevention is better than a cure. We must prevent crime. We also talked about the support that the government will give to any program that will speed up communications and transportation. We also gave very clear instructions about the need to join the community and create close ties with political leaders.

Finally, we announced our support for the program to disarm civilians that was initiated by Minister Pardo. I studied this program and feel that it is advisable and deserves our strong support. [end recording]

The minister also announced the strengthening of Army counterguerrilla mobile units and the creation of other brigades.

Police Commissioner Complains of Lack of Consultation

PA1109193394 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 1800 GMT 10 Sep 94

[From the "Cripton" newscast]

[Text] Police High Commissioner Renzo Rodriguez has complained that he is not taken into consideration for anything. He noted that he is not invited to ceremonies or meetings. He is not consulted. According to Rodriguez, the importance of his position for the good operation of the National Police is not understood. He spoke to Doris Hernandez.

[Hernandez] The position of police commissioner was created one year ago. It was decided that the position would be held by a civilian.

Rodriguez said that he is not trying to meddle, harm, or persecute the organization. His duties are disciplinary control and supervision. His job is to serve as a link between the citizens' complaints and demands and the police. He also assesses and diagnoses internal problems and suggests solutions to ensure that the institution fulfill its duties. But it is evident that there is a lack of support, communication, and understanding on the part of the police.

[Begin Rodriguez recording] I do not want to intrude. I do not intend to stigmatize the police. To the contrary, I want to help them. I am convinced that reforms would benefit both the police and the country. [end recording]

[Hernandez] It should be said that with the shakeup within the institution and the government's firm decision to make changes in the police, it would be a good idea to take Rodriguez's desire to work in cooperation into account. The 30-year-old lawyer only wants to be allowed to fulfill his duties.

Security Organizations To Redistribute Duties

PA1109193594 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 1800 GMT 10 Sep 94

[From the "Cripton" newscast]

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[Text] A clear redistribution of duties among security organizations will guarantee the effectiveness of the new national intelligence network. Chelo Garcia explains the duties of each unit:

[Garcia] The government proposes the formation of a national bloc and a big central intelligence organization. DAS [Administrative Department of Security] Director Ramiro Bejarano has told the Army and the National Police of the urgent need to work together, each specializing in a specific area.

[Begin Bejarano recording] For example, DIJIN [Judicial Police and Investigations Directorate] could handle common crime; the Army could deal with armed subversion, basically in rural areas; the Navy could be in charge of the narcotics business; the Air Force could fulfill the duties assigned to it; and DAS could be concerned with protecting the stability of the state.

What we want—the military and police agree with this—is to have a system that will permit a flow of information so that there will not be any jealousy among state organizations. [end recording]

[Garcia] They will work together, and the conclusions of each sector will be studied by a national intelligence board, wherein the government will adopt pertinent measures.

Venezuela

Finance Minister Presents Economic Plan

PA1209215394 Caracas Radio and Television Networks in Spanish 1627 GMT 12 Sep 94

["Presentation to the Country of the Stabilization and Economic Recovery Program of President Rafael Caldera's Government" by Central Information Office Minister Guillermo Alvarez Bajares and Finance Minister Julio Sosa Rodriguez at the auditorium of the Venezuelan Central Bank in Caracas—live]

[Text] [Alvarez Bajares] Ladies and gentlemen: The national government thanks you for attending the ceremony for the presentation of the country's Stabilization and Economic Recovery Program.

This document, which will be presented by the finance minister as head of the Economic Cabinet, is the result of many and detailed consultations held by a technical team headed by Werner Corrales, minister of CORDIPLAN [Central Office of Coordination and Planning].

At the end of this presentation, we will give you a synthesis supplied by Central Bank of Venezuela [BCV] protocol officials. Here is Dr. Sosa, chief of the Economic Cabinet:

[Sosa] Gentlemen, ministers, acting BCV president, president of the Venezuelan Corporation of Guayana, president of the Venezuelan Investments Fund, distinguished guests, ladies and gentlemen, dear friends:

Following orders from President Rafael Caldera and in my role as the official responsible for the Executive Branch's economic policy, it is my duty to present to you the Stabilization and Economic Recovery Program drafted by an multi-institutional team, coordinated by CORDIPLAN, and made up of representatives from the Finance Ministry, the BCV, CORDIPLAN, and PDVSA [Venezuelan Petroleum, Inc.].

The program was approved by the president at the Council of Ministers' meeting on 3 September. It will be the government's action plan for the stabilization and recovery of the Venezuelan economy for the next two years.

This program offers a framework for better economic health for all sectors based on firm foundations. It also seeks to create wealth, a wealth that will be the result of a constructive and sustained effort that commits all of us to work, save, study, and be disciplined, as well as supportive.

The government took office on 2 February in the midst of political, social, economic, and moral deterioration. In the economic sphere, we inherited a fiscal deficit that amounted to more than 7 percent of the GNP for 1994.

An increase in inflationary pressures, a drop in the GNP, an attack on the currency and the international reserves, and a financial crisis—whose seriousness was inexplicably unforeseen—became evident in the late 1993.

To correct the dramatic fiscal imbalance at a time when Venezuelan oil exports barely topped $10 per barrel, approximately $5 less per barrel than estimated in the 1994 Budget Law, the Executive Branch proposed to Congress on 8 March a package of tax laws as the first step in a plan to develop a modern economy capable of sustaining stable growth with social equality within the framework of the solidarity commitment that President Caldera proposed to the country.

The National Congress, through a law issued on 14 April, authorized the president to promulgate, by decree, a program of tax laws based on the reform to the Tax Code, the Income Tax Law, the Law on Taxes on Luxury Items and Wholesale, and the transitory Law on Bank Debits, as well as the laws on budget systems, fiscal stamps, and public works.

As a positive result of this first effort, the additional income from the tax plan will amount to more than 350 billion bolivars in 1994. Despite united efforts to reduce fiscal unbalance and thus control inflationary trends, the magnitude of the financial crisis surpassed the experts' initial predictions.

After the first fiscal adjustment, the inflationary rate would have been different and the level of our international reserves would have been higher, had the exchange rate not skyrocketed due to the crisis in the banking sector.

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The initial control of this crisis ran into various difficulties, including the erroneous use of instruments needed in the case of liquidity crises to correct solvency problems in certain financial institutions and the limited powers that the new banking laws give to the Executive Branch to make decisions under emergency conditions.

The climate of distrust generated by the financial crisis and the macroeconomic breakdown caused by the excess of (?liquidity) due to a high degree of subsidies for depositors compelled the government to protect international reserves and the parity of the bolivar through the temporary establishment of controls on the exchange market and the prices of basic basket, including medicines.

The goals of the program, the main goals of the program we are announcing today are as follows:

1. to reduce the fiscal deficit to 2.5 percent of the GDP for 1994 and to balance it in 1995, including privatization and programs laws;

2. to reduce the oil industry's fiscal dependence from 50 percent in 1994 to 45 percent in 1995;

3. to hold the inflation rate at no more that 65 percent in 1994 and to reduce it to less than 30 percent in 1995;

4. to have the economy grow by approximately 2 percent, slightly less than the 1995 population growth rate; and

5. to increase the foreign reserves to more than $10 billion by late 1994.

On this occasion, I will not try to explain in detail all the contents of the Stabilization and Recovery Program, which comprises almost all the country's economic activities. I will, however, list 10 points summarizing the basic measures that will realize the planned socioeconomic goals.

The 1994-1995 Fiscal Program and the Recovery of a Macroeconomic Balance: First, the enactment of the tax reform laws in April 1994 allowed the revision of the budget law, whose updated estimated revenues and expenditures amount to 1.482 trillion bolivares. This step will help keep public expenditures constant, similar to those of 1993. The implementation of the budget has been better than planned, primarily based on an increase in non-oil revenues, which are expected to exceed by 100 billion [currency not specified] the original budget. This is the result of improving the domestic fiscal collection goals, particularly those dealing with taxes on luxury items and sales, which will amount to 227 billion bolivares.

The Deposit Guarantee and Banking Protection Fund [Fogade] Debt With the BCV and the Financial Crisis: The financial crisis prompted an incredible imbalance in the macroeconomic aggregates and neutralized the positive effects of the first fiscal adjustment program, which included a greater tax collection and a revision on expenditures. The idle money generated following the Banco Latino intervention made Fogade owe the BCV 12 percent of the GDP.

This Stabilization and Recovery Program includes measures designed to deplete greatly monetary aggregates, eliminating the quasi-fiscal deficit prompted by the financial crisis and preventing its potential inflationary impact by implementing financial mechanisms in the mid term and by selling the assets Fogade acquired in exchange for its subsidies.

The Achievement of the 1995 Fiscal Balance: To achieve a fiscal balance in 1995 and in the following years as a result of the public finances reorganization process begun in 1994 is the cornerstone of the government's economic policy. The increase in regular fiscal revenues will be based on a substantial improvement in internal collections drawn from the increase in customs tariffs due to an upgraded supervision program implemented by the recently created National Integrated Service for Tax Administration [Servicio Nacional Integrado de Administracion Tributaria—Seniat], an autonomous institution that will be in charge of customs and taxes. Having a better domestic tax administration will make possible an increase in regular non-oil taxes from 8 percent in 1994 to 12 percent of the GDP in 1995. Non-oil income will reach the historic amount of 55 percent of the regular income collected in 1995. This is a more progressive tax structure in which those who earn more must pay relatively more taxes to clean up the public finances.

Within the program to modernize public finances, a bill will be introduced for the creation of the National Integrated Superintendency To Audit and Control Public Expenditures [Superintendencia Nacional Integrada de Auditoria y Control del Gasto Publico]. The (SIGECOP) will establish a system of supervision and control of public expenditures, as other Latin American countries have done when reorganizing their public finances.

The fiscal, monetary, and financial measures to be executed within the stabilization and recovery program are aimed at facilitating the transition from the current system of exchange control to one which will only control capital accounts until its definitive elimination in the shortest term possible.

The Reform of the Financial System: The national executive believes that the solution of the financial crisis, the capitalization of banks and insurance companies, and the system's return to the role of intermediary are fundamental requirements for the success of the stabilization and recovery program. For this reason, a very important part of the program we are announcing today is the strategy for the reform of the financial system, which consists of three parts: first, the reform of the law on banks and other financial institutions to guarantee the recovery of competitiveness and capital of the

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banking system; second, the reform of the insurance law; and third, the reform of the capital market.

The Recovery of the Competitiveness and Capital of Banks: The most acute phase of the financial crisis came in 1994. The problems that unleashed this crisis and which had been developing for at least a decade were, in addition to the lack of supervision by the Superintendency of Banks, the poor quality of the portfolio, the reduced indexes of capitalization, and the improperly related portfolio. All of this was made possible by the rejection in 1990 of a bank law that would guarantee adequate supervision of the system.

With the approval of the general law on banks and other financial institutions in November 1993, a number of problems were made evident, leading to the takeover of Banco Latino. Nevertheless, this law does not provide for the handling and resolution of recurring financial crises that had not been previously experienced in Venezuela. In order to face this crisis which had developed over the last decade, the national government took a number of measures, among which the following stand out: the increase in the banks' contribution to the guarantee fund, which went from 0.25 percent to 1 percent every six months, and the promulgation of the financial emergency law and the public credit law, which provide the state with a legal tool for contributing to the solution of the crisis and for increasing to a more adequate level the assets of the guarantee fund.

Decree No. 248 had to be issued to create the financial emergency board, and a bill was introduced to the legislative chambers to regulate the financial emergency. These instruments make possible effective coordination by the public institutions that participate in handling the crisis.

They call for the Financial Emergency Board to exert technical control over the Bank Superintendency and Fogade for the duration of the crisis, and they also grant special powers to the attorney general of the nation to protect the assets of banks that reverted to the nation.

The strategy that the Financial Emergency Board has begun to implement is better than the scheme applied during the first phase of the crisis, which included unconditioned assistance to banks that could turn out to be insolvent. It also tries to discard, as much as possible, traumatic interventions in financial institutions behind closed doors.

Henceforth the goal is to condition liquidity assistance to institutions that require capitalization and also to intensify control over concentration indeces of portfolio accounts [indices de concentracion de carteras] and operation consolidation controls [pruebas de consolidacion de operaciones], among others, to ensure that state branches are able to efficiently supervise and make timely interventions to correct possible banking operation deviations.

The main objectives of the strategy to be followed as part of the private banking financial restructuring program are as follows: the recapitalization of the entire system; the reestablishment of financial regulation as part of the system's basic goal, in addition to encouraging competition within the sector by incorporating international banking institutions; the protection of account holders and depositors and the return of public confidence in the financial institutions; strict supervision over the observance of laws and provincial regulations related to institutional operations and capital solvency levels. In order to ensure all of the aforementioned, we plan to encourage the institutional and professional advancement of the Banking Superintendency and Fogade. In accordance with the Financial Emergency Board's guidelines, the Banking Superintendency and Fogade will continue to supervise the compliance of all privatization decisions adopted within the framework of the Stabilization Program, and this will definitely help overcome the financial crisis.

Reforms to the Insurance Law: The national government has presented before the National Congress recommendations designed to reform the 1975 Insurance and Reinsurance Law. The objective of this reform is to adapt and improve the state's regulating capabilities over all insurance activities, to promote competition, to encourage foreign investment, and to recapitalize the sector. In order to ensure this, administrative and financial autonomy is hereby granted to the Insurance Superintendency, and a professionalization and training program is recommended for the institutions. New company capitalization guidelines are hereby implemented, and the sector is now open to foreign investments.

Likewise, the executive branch will soon present a Capital Markets Bill designed to modernize the sector. It also seeks to improve and intensify capital market operations as a mechanism by which to encourage domestic and international savings and to promote the establishment of more companies. The main proposals included in this bill are aimed at offering additional investment protection measures; granting administrative and financial independence to the National Securities Commission; and extending this institution's authority to expedite the overseas sales of public certificates and securities and to help authorize risk capital deposits, commodities exchanges, and other standard capital markets products. The bill also would introduce modern accounting and registration measures.

This first set of measures included as part of the 1994-1995 Fiscal Program, along with the reestablishment of macroeconomic uniformity and the financial system's reforms, is fundamental to ensure order in the system and to create suitable conditions to encourage initiatives that will lead to a path of sound and sustained growth.

National energy use and appraisal, in addition to strategic options for the transportation sector: The national government is currently analyzing options for the use of

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the country's energy products, such as regulating gasoline prices on the domestic market. The solution to these problems is being sought within the framework of an integrated program aimed at improving the quality of the public urban transportation system. Solutions being contemplated at this time include subsidizing the transportation system and implementing a progressive conversion from gasoline to natural gas in order to prevent higher transportation costs deriving from fuel price increases. Likewise, other solutions include some type of compensation to those people whose wages are less than a specific minimum wage.

Privatization of state owned companies: The estimated 1994-1995 privatization agenda includes the sale to domestic and foreign investors of public property included in the manufacturing, electrical, transportation, communications, tourism, and financial sectors. It also includes the signing of concessions and agreements to operate race tracks and recreational parks. It is estimated that revenues to be received from the privatization program will total nearly $3 billion in 1994 and 1995. These funds will be used mainly to cancel the debt of those companies privatized and to pay off the public debt as part of the privatization program reforms presented to Congress by the executive branch.

Public projects concession program: Within the framework of the authorization law passed by the National Congress on 14 April, the president enacted the Law on the Granting of Concessions for Public Works. The program for the construction of these infrastructure works through concessions provides for the following plans to be initiated in 1995.

An estimated investment of $1.85 billion will be made in the areas of transportation, highways, and passenger terminals. Likewise, between 1994 and 1995 we expect to grant concessions for the maintenance and operation of various infrastructures, such as navigational channels and cargo ports along the Orinoco River and on the nation's eastern seaboard.

Opening the petroleum sector to private investment: Venezuela has prospective areas other than those currently being exploited by subsidies of PDVSA. These could contain approximately 20 billion barrels of light and medium crude and approximately 10 quintillion cubic feet of natural gas. It is estimated that risk investments to explore these fields could total between $6 billion and $7 billion. To make these investments, a formula of shared revenues is being proposed in which private companies or consortiums would undertake exploration operations and, once petroleum is discovered, PDVSA and private investors would share the profits derived from the exploitation of the fields. This formula has been used in other countries in which the state controls the petroleum industry. This also falls within the legal framework as outlined in Article 5 of the Law on Nationalization under the structure of partnerships.

The energy and mines minister and PDVSA, with prior government and congressional approval, will offer for public bid the prospective areas for these explorations. The first public bid is slated for the beginning of 1995, and it is estimated that as much as $500 million will be produced annually as foreign currency income from these investments, while the additional production of more than 500,000 bpd [barrels per day] is expected by the end of the decade.

Restructuring and opening to private capital in economic activities coordinated by the Venezuelan Corporation of Guayana [CVG]: The strategic association of the CVG with domestic and foreign private capital dates back to the philosophy that gave way to the creation of this corporation—that is, that the state be an important but minority partner in the exploitation and industrialization of the Guayana region's mineral wealth. Currently, the majority of CVG companies have revenue problems, large debts, low production, and too many employees, and, in some cases, they display technological lags. The amount of debt among these companies has seriously worsened their financial situation.

In the steel sector, the program provides for partnerships with private domestic and foreign capital for the study of the [word indistinct] plants, as well as for other plants already operating. In the aluminum sector, the CVG will open to private capital the following companies: (Cecilven), ALCASA [Caroni Aluminum, Inc.], VENALUM [Aluminum Company of Venezuela, Inc.], and [word indistinct]. In the mining sector, the CVG is studying the advantage of partnerships with private capital in the Minerven company. Further down the road in the forestry sector, development is being considered with private capital in the planting of pine, caribe, and eucalyptus trees, as well as in the production and processing of rubber.

Restructuring and heightening competition in the productive sector: The correction of the macroeconomic imbalances will be expedited by the overall recovery of the economy. The national government considers that the state should be [word indistinct] in the establishing of a political framework that stimulates national production. In this regard, a group of fiscal measures will be implemented to stimulate the creation of new companies, not only in sectors derived from basic industries but also from industry and agriculture in general.

In order to encourage these investments, plans for the renegotiation of debts are being studied, such as the mechanism recently approved for investments in the tourist sector.

In the area of small and medium-sized industries, the banking debt will be restructured, the instruments against unfair competition will be strengthened, and the competitive modernization of small and medium-sized industries will be supported.

In the agriculture and livestock sector, the agricultural debt will be refinanced, and we will complete the Andean

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unification of agricultural and agro-industrial policies and the rationalization of production prices. We also will implement plans to finance harvests.

In the construction sector, the encouragement of these activities will be centered on the public sector's timely cancellation of its debts with contractors. Allocations in the 1994 budget not previously committed will be partially reassigned to implement an ambitious housing plan in 1995 for the construction of 180,000 housing units, in addition to the previously mentioned public works projects.

In the area of foreign trade, regional and subregional integration processes will be strengthened, and programs for the promotion of exports will be modernized with the creation of the Foreign Trade Bank.

In the tourism sector, we have drawn up a plan centered on the exploitation of nonconventional tourism and the development of a strategic marketing plan by CORPOTURIMSO [Corporation for National Tourism] with the support of various institutions through the Presidential Tourism Commission, which along with the Venezuelan Investment Fund is overseeing the privatization of the chain of state-run hotels.

Reform and modernization of the state: Although state reforms constitute a strategic long-term project that encompass constitutional, political, and economic reforms of the public sector, as well as the privatization, decentralization, and modernization of public finances, among other things, I will briefly mention two key areas in which very specific advancements will be made during the implementation period of this plan: 1) reducing the number of ministries, and 2) providing public services in harmony with prices and rates.

The stabilization and recovery plan is aimed at achieving advancements in the rationalization of institutional subsystems of the central government by creating the Ministry of Industry and Commerce, replacing the Foreign Trade Institute and the Ministry of Development; the Ministry of Infrastructure and Reorganization of Territory, which will replace the Ministries of Transportation and Communications and Urban Development; and the Ministry of Social Development, which will encompass all of the relevant institutions. We will also reorganize the system of state institutions in charge of financing the productive sector.

In the area of public services, formulas will be implemented for their operation by the private sector in accordance with the Concessions Law. Self-financing programs will be gradually implemented, and fair prices and rates for public services will be implemented to fund programs to improve the efficiency and quality of those services.

Social action strategy: The president of the Republic presented to the nation a plan called Commitment to Social Solidarity which was incorporated as a fundamental part of the Stabilization and Economic Recovery Program. The Commitment to Social Solidarity will be developed within two lines of action: The first one will consist of giving support to the poorest sectors of our population in order to reduce the effects of inflation and recession. The second is aimed at promoting institutional training programs for the people to guarantee their participation in the country's productive activities as stable employees.

The program to support the weakest sectors of our population contemplates a nutritional and health plan, and this includes the continuation of food scholarships, milk and cereal vouchers, and the distribution of school materials and uniforms. The administration of these programs, however, will be reorganized to enable them to be administered by the communities and, in turn, effectively help children. The plan also includes supplying equipment, creating a social infrastructure, and setting up a social security plan that provides protection and subsidies for low-income families.

The productive [word indistinct] plan includes a program for community supply [abastecimiento solidario] which has been implemented by supplying food and medicines at low prices in the poorest neighborhoods, and the community enterprise [empresa de solidaridad] project to promote and train employees of small enterprises.

Regarding the social security system, it is a proven fact that sustained improvement in the productive sector's competitiveness requires the support of a labor relations structure that increases productivity and an institutional mechanism that encourages savings and maximizes the use of savings in productive investments. In order to encourage higher productivity in a sustained and stable manner, it is not enough or is hardly feasible to implement a successful process of innovation and training if the workers do not have positive expectations for their future wages. They require dependable and increasing wages and confidence in a social security system that will guarantee they will really have health care, protection from layoffs, and a sure and fitting pension.

Finally, a nation's greatest source of domestic savings is precisely the one that is created with the funds obtained for all types of social benefits, including those earmarked for the support of obligations. We must, therefore, conclude that it is desirable to implement a savings program for workers that will guarantee them a secure and adequate retirement. Also, we need to implement a new social security system which, in case the Benefit Law would require reforms in the future, would ensure that those reforms would not deteriorate the workers' current situation.

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In terms of this, the executive branch has decided to appoint a high-level commission to study the options, consult with the parties involved, and present feasible alternatives to implement a solution that will simultaneously correspond to the demands of the Social Benefits Law, the social security system, and the current workers savings system. The commission's report is to be presented to the legislative branch and president of the Republic before the end of the year.

Esteemed Compatriots: We have drawn up a sound, realistic, and comprehensive stabilization and recovery program. It does not have ideological or dogmatic ties and is adapted to Venezuela's reality. It is supported by the most positive and proven aspects of modern economic thought. The program's fundamental goals are, on the one hand, to do away with inflation and stabilize the monetary, financial, and exchange variables, and, on the other hand, to establish the bases for productive, solid, and sustained development with social benefits.

The program requires the government's economic modernization, the strengthening of its strategic ability, the heightening of its efficiency, and the improvement of the quality of its services. The program requires that the private sector be the main player in productive activity and that this sector be the main provider of jobs and income, and this should be done in a climate of healthy competition and openness to international commerce and investment. The program requires that the Venezuelan Government be totally committed to its success and to all of the reforms that will make it feasible. The program requires that all Venezuelans unite and, for the benefit of all, work constructively to achieve a healthy and diversified economy. This will restore confidence in our nation and enable us to be proud we are Venezuelans. Thank you. [applause]

[Alvarez Bajares] The complete text of the stabilization and recovery program can be requested tomorrow morning at CORDIPLAN and the Central Information Office. Anyway, as I announced earlier, protocol officials will give you a summary of the program as you leave the room. Again, the government thanks you for your presence at this presentation.

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